

SIXTIETH DAY

MORNING SESSION

Senate Chamber, Olympia
Thursday, March 8, 2018

The Senate was called to order at 9:01 a.m. by the President of the Senate, Lt. Governor Habib presiding. The Secretary called the roll and announced to the President that all Senators were present.

The Sergeant at Arms Color Guard consisting of Pages Mr. Peter McKown and Miss Angela Goudy, presented the Colors.

Miss Gypsy Patnude led the Senate in the Pledge of Allegiance. The prayer was offered by Reverend Douglas Thomison of United Methodist Church, Yelm.

REMARKS BY SENATOR LIAS

Senator Lias: "Thank you Mr. President. I know the members have likely seen the news but some members of our Washington state family were killed in a tragic traffic accident in the early hours this morning on Interstate 5 and it shut down the interstate completely. It sounds like there was a hit and run accident and three innocent people lost their lives in that so I know we send our thoughts and our prayers and best wishes to those families. And Mr. President, as a result, some of our members are still having difficulty getting to the capitol as traffic continues to be a problem, so, Mr. President I move that the Senate be at ease subject to the call of the President."

MOTION

At 9:05 a.m., on motion of Senator Lias, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 9:46 a.m. by President Habib.

MOTION

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

MOTION

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

REPORTS OF STANDING COMMITTEES

March 7, 2018

SI 940 Prime Sponsor, : Law enforcement Reported by Committee on Law & Justice

MAJORITY recommendation: Do pass. Signed by Senators Pedersen, Chair; Dhingra, Vice Chair; Darneille and Frockt.

MINORITY recommendation: Do not pass. Signed by Senators Padden, Ranking Member Angel, Assistant Ranking Member.

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

Referred to Committee on Rules for second reading.

March 7, 2018

ESHB 3003 Prime Sponsor, Committee on Public Safety; Concerning law enforcement. Reported by Committee on Law & Justice

MAJORITY recommendation: Do pass. Signed by Senators Pedersen, Chair; Dhingra, Vice Chair; Darneille and Frockt.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Padden, Ranking Member; Angel, Assistant Ranking Member and Wilson.

Referred to Committee on Rules for second reading.

MOTION

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

MOTION

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

MESSAGES FROM THE HOUSE

March 7, 2018

MR. PRESIDENT:
The House receded from its amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 6241 and passed the bill without the House amendment. and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

March 7, 2018

MR. PRESIDENT:
The House has passed:
SENATE BILL NO. 6007,
and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

March 7, 2018

MR. PRESIDENT:
The House has passed:
ENGROSSED SECOND SUBSTITUTE HOUSE BILL
NO. 1054,
and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

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

INTRODUCTION AND FIRST READING

SB 6630 by Senators Sheldon, Walsh and Padden

AN ACT Relating to expanding the counties qualifying for the farm internship program to include Mason county; and amending RCW 49.12.470.

Referred to Committee on Agriculture, Water, Natural Resources & Parks.

SUPPLEMENTAL INTRODUCTION AND FIRST READING

SB 6631 by Senators Brown, Ericksen, Bailey, Honeyford, Wilson, Short, Wagoner, Becker, Fain, Sheldon, King, Walsh, Fortunato, Baumgartner, Warnick, Rivers and Braun

AN ACT Relating to promoting small modular reactors in Washington; amending RCW 19.29A.090, 19.285.030, 43.21F.025, 43.21F.088, 80.52.030, 82.85.010, 82.85.020, 82.85.030, 82.85.040, 82.85.050, and 82.85.080; reenacting and amending RCW 19.29A.010, 19.280.020, and 80.50.020; adding a new section to chapter 80.50 RCW; adding a new section to chapter 82.04 RCW; creating a new section; and providing expiration dates.

Referred to Committee on Energy, Environment & Technology.

E2SHB 1054 by House Committee on Finance (originally sponsored by Representatives Harris, Cody, Orwall, DeBolt, Johnson, McBride, Clibborn, Short, Pettigrew, Robinson, Fey, Kilduff, Riccelli, Ryu, Nealey, Goodman, Tharinger, Stanford, Frame, Pollet, Jinkins, Haler, Kagi, Hargrove, Fitzgibbon, Appleton, Chapman, Senn, Bergquist, Gregerson, Young, Farrell and Slatter)

AN ACT Relating to protecting youth from tobacco products and vapor products by increasing the minimum legal age of sale of tobacco and vapor products; amending RCW 26.28.080, 70.155.005, 70.155.010, 70.345.010, 70.155.020, 70.345.070, 70.345.100, 70.155.030, and 70.155.120; and providing an effective date.

Referred to Committee on Ways & Means.

MOTION

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

MOTION

At 9:49 a.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 9:56 a.m. by President Habib.

MOTION

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

MESSAGE FROM THE HOUSE

March 7, 2018

MR. PRESIDENT:

The House has adopted the report of the Conference Committee

on ENGROSSED HOUSE BILL NO. 2519 and has passed the bill as recommended by the Conference Committee. and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

REPORT OF THE CONFERENCE COMMITTEE

Engrossed House Bill No. 2519

March 7, 2018

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Engrossed House Bill No. 2519, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

And the bill do pass as recommended by the conference committee.

Signed by Senators Dhingra and Pedersen; Representatives Jinkins and Lovick.

MOTION

Senator Pedersen moved that the Report of the Conference Committee on Engrossed House Bill No. 2519 be adopted.

Senator Pedersen spoke in favor of the motion.

Senator Padden spoke against the motion.

POINT OF INQUIRY

Senator Rivers: "Thank you Mr. President. Will Senator Pedersen yield to a question?"

President Habib: "Pedersen?"

Senator Pedersen: "For the gentelady from the 18th District, of course."

Senator Rivers: "Senator Pedersen, what drugs are included on the list of drugs that would prevent someone from getting their concealed license back?"

Senator Pedersen: "That is a federal law question, but I think it is probably all of the scheduled drugs. I think the gentelady from the 45th would probably be the better person to answer that question."

Senators Rivers and Pederson spoke on the motion.

The President declared the question before the Senate to be the motion by Senator Pedersen that the Report of the Conference Committee on Engrossed House Bill No. 2519 be adopted.

The motion by Senator Pedersen carried and the Report of the Conference Committee was adopted by voice vote.

Senator Pedersen spoke in favor of passage of the bill as recommended by the Conference Committee.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 2519, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 2519, as recommended by the Conference

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Committee, and the bill passed the Senate by the following vote: Yeas, 37; Nays, 11; Absent, 1; Excused, 0.

Voting yea: Senators Bailey, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Fain, Frockt, Hasegawa, Hobbs, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Takko, Van De Wege, Walsh, Wellman, Wilson and Zeiger

Voting nay: Senators Angel, Ericksen, Fortunato, Hawkins, Honeyford, Padden, Schoesler, Sheldon, Short, Wagoner and Warnick

Absent: Senator Baumgartner

ENGROSSED HOUSE BILL NO. 2519, as recommended by the Conference Committee, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

On motion of Senator Bailey, Senator Baumgartner was excused.

MESSAGE FROM THE HOUSE

March 7, 2018

MR. PRESIDENT:

The House has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE SENATE BILL NO. 6106 and has passed the bill as recommended by the Conference Committee.

and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

REPORT OF THE CONFERENCE COMMITTEE

Engrossed Substitute Senate Bill No. 6106

March 7, 2018

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Engrossed Substitute Senate Bill No. 6106, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

And the bill do pass as recommended by the conference committee.

Signed by Senators Hobbs, King and Saldaña; Representatives Clibborn, Fey and Orcutt.

MOTION

Senator Hobbs moved that the Report of the Conference Committee on Engrossed Substitute Senate Bill No. 6106 be adopted.

Senators Hobbs, King and Saldaña spoke in favor of passage of the motion.

MOTION

On motion of Senator Saldaña, Senator Cleveland was excused.

Senator Ericksen spoke against the motion.

Senator Ranker spoke on the motion.

The President declared the question before the Senate to be the motion by Senator Hobbs that the Report of the Conference Committee on Engrossed Substitute Senate Bill No. 6106 be adopted.

The motion by Senator Hobbs carried and the Report of the Conference Committee was adopted by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 6106, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 6106, as recommended by the Conference Committee, and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Conway, Darneille, Dhingra, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting nay: Senator Ericksen

Excused: Senator Cleveland

ENGROSSED SUBSTITUTE SENATE BILL NO. 6106, as recommended by the Conference Committee, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

Senator Liias moved that Rule 15 be suspended for the remainder of the day for the purpose of allowing continued floor action.

Senator Becker objected to the motion by Senator Liias.

Senator Liias spoke in favor of the motion.

Senators Becker and Fortunato spoke against the motion.

The President declared the question before the Senate to be the motion by Senator Liias to suspend Rule 15 for the remainder of the day and the motion carried by voice vote.

MOTION TO LIMIT DEBATE

Pursuant to Rule 29, on motion of Senator Liias and without objection, senators were limited to speaking but once and for no more than three minutes on each question under debate for the remainder of the day by voice vote.

PARLIAMENTARY INQUIRY

Senator Fain: "Would it be possible to have this rule apply only to certain members?"

MOTION

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

Senator Becker announced a meeting of the Republican

Caucus.

The Senate was called to order at 11:46 a.m. by President Habib.

MOTION

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

SECOND READING

HOUSE BILL NO. 3003, by Representatives Goodman and Hayes

Relating to law enforcement.

The measure was read the second time.

MOTION

Senator Padden moved that the following striking floor amendment no. 956 by Senator Padden be adopted:

Strike everything after the enacting clause and insert the following:

"PART I
TITLE AND INTENT

NEW SECTION. Sec. 1. This act may be known and cited as the law enforcement training and community safety act.

NEW SECTION. Sec. 2. The intent of the people in enacting this act is to make our communities safer. This is accomplished by requiring law enforcement officers to obtain violence de-escalation and mental health training, so that officers will have greater skills to resolve conflicts without the use of physical or deadly force. Law enforcement officers will receive first aid training and be required to render first aid, which will save lives and be a positive point of contact between law enforcement officers and community members to increase trust and reduce conflicts. Finally, the initiative adopts a "good faith" standard for officer criminal liability in those exceptional circumstances where deadly force is used, so that officers using deadly force in carrying out their duties in good faith will not face prosecution.

PART II
REQUIRING LAW ENFORCEMENT OFFICERS TO RECEIVE VIOLENCE DE-ESCALATION TRAINING

NEW SECTION. Sec. 3. A new section is added to chapter 43.101 RCW to read as follows:

(1) Beginning one year after the effective date of this section, all law enforcement officers in the state of Washington must receive violence de-escalation training. Law enforcement officers beginning employment after the effective date of this section must successfully complete such training within the first fifteen months of employment. The commission shall set the date by which other law enforcement officers must successfully complete such training.

(2) All law enforcement officers shall periodically receive continuing violence de-escalation training to practice their skills, update their knowledge and training, and learn about new legal requirements and violence de-escalation strategies.

(3) The commission shall set training requirements through the procedures in section 5 of this act.

PART III
REQUIRING LAW ENFORCEMENT OFFICERS TO RECEIVE MENTAL HEALTH TRAINING

NEW SECTION. Sec. 4. A new section is added to chapter 43.101 RCW to read as follows:

(1) Beginning one year after the effective date of this section, all law enforcement officers in the state of Washington must receive mental health training. Law enforcement officers beginning employment after the effective date of this section must successfully complete such training within the first fifteen months of employment. The commission shall set the date by which other law enforcement officers must successfully complete such training.

(2) All law enforcement officers shall periodically receive continuing mental health training to update their knowledge about mental health issues and associated legal requirements, and to update and practice skills for interacting with people with mental health issues.

(3) The commission shall set training requirements through the procedures in section 5 of this act.

PART IV
TRAINING REQUIREMENTS SHALL BE SET IN CONSULTATION WITH LAW ENFORCEMENT AND COMMUNITY STAKEHOLDERS

NEW SECTION. Sec. 5. A new section is added to chapter 43.101 RCW to read as follows:

(1) Within six months after the effective date of this section, the commission must consult with law enforcement agencies and community stakeholders and adopt rules for carrying out the training requirements of sections 3 and 4 of this act. Such rules must, at a minimum:

(a) Adopt training hour requirements and curriculum for initial violence de-escalation trainings required by this act;

(b) Adopt training hour requirements and curriculum for initial mental health trainings required by this act, which may include all or part of the mental health training curricula established under RCW 43.101.227 and 43.101.427;

(c) Adopt annual training hour requirements and curricula for continuing trainings required by this act;

(d) Establish means by which law enforcement officers will receive trainings required by this act; and

(e) Require compliance with this act's training requirements.

(2) In developing curricula, the commission shall consider inclusion of the following:

(a) De-escalation in patrol tactics and interpersonal communication training, including tactical methods that use time, distance, cover, and concealment, to avoid escalating situations that lead to violence;

(b) Alternatives to jail booking, arrest, or citation in situations where appropriate;

(c) Implicit and explicit bias, cultural competency, and the historical intersection of race and policing;

(d) Skills including de-escalation techniques to effectively, safely, and respectfully interact with people with disabilities and/or behavioral health issues;

(e) "Shoot/don't shoot" scenario training;

(f) Alternatives to the use of physical or deadly force so that de-escalation tactics and less lethal alternatives are part of the decision-making process leading up to the consideration of deadly force;

(g) Mental health and policing, including bias and stigma; and

(h) Using public service, including rendering of first aid, to provide a positive point of contact between law enforcement officers and community members to increase trust and reduce

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conflicts.

(3) The initial violence de-escalation training must educate officers on the good faith standard for use of deadly force established by this act and how that standard advances violence de-escalation goals.

(4) The commission may provide trainings, alone or in partnership with private parties or law enforcement agencies, authorize private parties or law enforcement agencies to provide trainings, or any combination thereof. The entity providing the training may charge a reasonable fee.

PART V ESTABLISHING LAW ENFORCEMENT OFFICERS' DUTY TO RENDER FIRST AID

NEW SECTION. **Sec. 6.** A new section is added to chapter 36.28A RCW to read as follows:

(1) It is the policy of the state of Washington that all law enforcement personnel must provide or facilitate first aid such that it is rendered at the earliest safe opportunity to injured persons at a scene controlled by law enforcement.

(2) Within one year after the effective date of this section, the Washington state criminal justice training commission, in consultation with the Washington state patrol, the Washington association of sheriffs and police chiefs, organizations representing state and local law enforcement officers, health providers and/or health policy organizations, tribes, and community stakeholders, shall develop guidelines for implementing the duty to render first aid adopted in this section. The guidelines must: (a) Adopt first aid training requirements; (b) address best practices for securing a scene to facilitate the safe, swift, and effective provision of first aid to anyone injured in a scene controlled by law enforcement or as a result of law enforcement action; and (c) assist agencies and law enforcement officers in balancing the many essential duties of officers with the solemn duty to preserve the life of persons with whom officers come into direct contact.

PART VI ADOPTING A "GOOD FAITH" STANDARD FOR LAW ENFORCEMENT OFFICER USE OF DEADLY FORCE

Sec. 7. RCW 9A.16.040 and 1986 c 209 s 2 are each amended to read as follows:

(1) Homicide or the use of deadly force is justifiable in the following cases:

(a) When a public officer applies deadly force ~~((is acting))~~ in obedience to the judgment of a competent court; or

(b) When necessarily used by a peace officer meeting the good faith standard of this section to overcome actual resistance to the execution of the legal process, mandate, or order of a court or officer, or in the discharge of a legal duty~~((-))~~; or

(c) When necessarily used by a peace officer meeting the good faith standard of this section or person acting under the officer's command and in the officer's aid:

(i) To arrest or apprehend a person who the officer reasonably believes has committed, has attempted to commit, is committing, or is attempting to commit a felony;

(ii) To prevent the escape of a person from a federal or state correctional facility or in retaking a person who escapes from such a facility; ~~((or))~~

(iii) To prevent the escape of a person from a county or city jail or holding facility if the person has been arrested for, charged with, or convicted of a felony; or

(iv) To lawfully suppress a riot if the actor or another participant is armed with a deadly weapon.

(2) In considering whether to use deadly force under subsection

(1)(c) of this section, to arrest or apprehend any person for the commission of any crime, the peace officer must have probable cause to believe that the suspect, if not apprehended, poses a threat of serious physical harm to the officer or a threat of serious physical harm to others. Among the circumstances which may be considered by peace officers as a "threat of serious physical harm" are the following:

(a) The suspect threatens a peace officer with a weapon or displays a weapon in a manner that could reasonably be construed as threatening; or

(b) There is probable cause to believe that the suspect has committed any crime involving the infliction or threatened infliction of serious physical harm.

Under these circumstances deadly force may also be used if necessary to prevent escape from the officer, where, if feasible, some warning is given, provided the officer meets the good faith standard of this section.

(3) A public officer ~~((or peace officer))~~ covered by subsection (1)(a) of this section shall not be held criminally liable for using deadly force without malice and with a good faith belief that such act is justifiable pursuant to this section.

(4) A peace officer shall not be held criminally liable for using deadly force in good faith, where "good faith" is an objective standard which shall consider all the facts, circumstances, and information known to the officer at the time to determine whether a similarly situated reasonable officer would have believed that the use of deadly force was necessary to prevent death or serious physical harm to the officer or another individual.

(5) This section shall not be construed as:

(a) Affecting the permissible use of force by a person acting under the authority of RCW 9A.16.020 or 9A.16.050; or

(b) Preventing a law enforcement agency from adopting standards pertaining to its use of deadly force that are more restrictive than this section.

PART VII MISCELLANEOUS

NEW SECTION. **Sec. 8.** The provisions of this act are to be liberally construed to effectuate the intent, policies, and purposes of this act. Nothing in this act precludes local jurisdictions or law enforcement agencies from enacting additional training requirements or requiring law enforcement officers to provide first aid in more circumstances than required by this act or guidelines adopted under this act.

NEW SECTION. **Sec. 9.** (1) Except where a different timeline is provided in this act, the Washington state criminal justice training commission must adopt any rules necessary for carrying out the requirements of this act within one year after the effective date of this section. In carrying out all rule making under this act, the commission shall seek input from the attorney general, law enforcement agencies, the Washington council of police and sheriffs, the Washington state fraternal order of police, the council of metropolitan police and sheriffs, the Washington state patrol troopers association, at least one association representing law enforcement who represent traditionally underrepresented communities including the black law enforcement association of Washington, de-escalate Washington, tribes, and community stakeholders. The commission shall consider the use of negotiated rule making.

(2) Where this act requires involvement of community stakeholders, input must be sought from organizations advocating for: Persons with disabilities; members of the lesbian, gay, bisexual, transgender, and queer community; persons of color; immigrants; non-citizens; native Americans; youth; and formerly incarcerated persons.

NEW SECTION. Sec. 10. Except as required by federal consent decree, federal settlement agreement, or federal court order, where the use of deadly force by a peace officer results in death, substantial bodily harm, or great bodily harm, an independent investigation must be completed to inform any determination of whether the use of deadly force met the good faith standard established in RCW 9A.16.040 and satisfied other applicable laws and policies. The investigation must be completely independent of the agency whose officer was involved in the use of deadly force. The criminal justice training commission must adopt rules establishing criteria to determine what qualifies as an independent investigation pursuant to this section.

NEW SECTION. Sec. 11. Whenever a law enforcement officer's application of force results in the death of a person who is an enrolled member of a federally recognized Indian tribe, the law enforcement agency must notify the governor's office of Indian affairs. Notice by the law enforcement agency to the governor's office of Indian affairs must be made within a reasonable period of time, but not more than twenty-four hours after the law enforcement agency has good reason to believe that the person was an enrolled member of a federally recognized Indian tribe. Notice provided under this section must include sufficient information for the governor's office of Indian affairs to attempt to identify the deceased person and his or her tribal affiliation. Nothing in this section requires a law enforcement agency to disclose any information that could compromise the integrity of any criminal investigation. The governor's office of Indian affairs must establish a means to receive the notice required under this section, including outside of regular business hours, and must immediately notify the tribe of which the person was enrolled.

NEW SECTION. Sec. 12. A new section is added to chapter 9A.16 RCW to read as follows:

(1) When a peace officer who is charged with a crime is found not guilty or charges are dismissed by reason of justifiable homicide or use of deadly force under RCW 9A.16.040, or by reason of self-defense, for actions taken while on duty or otherwise within the scope of his or her authority as a peace officer, the state of Washington shall reimburse the defendant for all reasonable costs, including loss of time, legal fees incurred, and other expenses involved in his or her defense. This reimbursement is not an independent cause of action.

(2) If the trier of fact makes a determination of justifiable homicide, justifiable use of deadly force, or self-defense, the judge shall determine the amount of the award.

(3) Whenever the issue of justifiable homicide, justifiable use of deadly force, or self-defense under this section is decided by a judge, or whenever charges against a peace officer are dismissed based on the merits, the judge shall consider the same questions as must be answered in the special verdict under subsection (4) of this section.

(4) Whenever the issue of justifiable homicide, justifiable use of deadly force, or self-defense under this section has been submitted to a jury, and the jury has found the defendant not guilty, the court shall instruct the jury to return a special verdict in substantially the following form:

- | | |
|---|-----------|
| | answer |
| | yes or no |
| 1. Was the defendant on duty or otherwise acting within the scope of his or her authority as a peace officer? | |
| 2. Was the finding of not guilty based upon justifiable homicide, justifiable | |

use of deadly force, or self-defense?

(5) Nothing in this section precludes the legislature from using the sundry claims process to grant an award where none was granted under this section or otherwise where the charge was dismissed prior to trial, or to grant a higher award than one granted under this section.

NEW SECTION. Sec. 13. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 14. Sections 10 and 11 of this act constitute a new chapter in Title 10 RCW.

NEW SECTION. Sec. 15. For constitutional purposes, the subject of this act is "law enforcement."

NEW SECTION. Sec. 16. This act is the alternative to Initiative 940, which has been proposed to the legislature. The secretary of state is directed to place this act on the ballot in conjunction with Initiative 940, pursuant to Article II, section 1(a) of the state Constitution."

On page 1, line 1 of the title, after "enforcement;" strike the remainder of the title and insert "amending RCW 9A.16.040; adding new sections to chapter 43.101 RCW; adding a new section to chapter 36.28A RCW; adding a new section to chapter 9A.16 RCW; adding a new chapter to Title 10 RCW; creating new sections; and providing for submission of this act to a vote of the people."

Senators Padden, Fain, Baumgartner, Angel, Sheldon, Becker and Fortunato spoke in favor of adoption of the striking amendment.

Senators Pedersen, O'Ban, Chase and Hasegawa spoke against adoption of the striking amendment.

MOTION

Senator Padden 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 Padden to Engrossed Substitute House Bill No. 3003.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator Padden and the amendment was not adopted by the following vote: Yeas, 23; Nays, 25; Absent, 1; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

Voting nay: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

Absent: Senator Ericksen .

MOTION

On motion of Senator Pedersen, the rules were suspended,

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House Bill No. 3003 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

POINT OF ORDER

Senator Baumgartner: "Thank you Mr. President. I rise to a point of order of how many votes is required to pass this bill?"

President Habib: "Senator Baumgartner."

Senator Baumgartner: "Thank you Mr. President. This bill clearly amends and initiative which requires a two-thirds vote in the plain reading of the constitution. I would ask for you to rule on that."

President Habib: "Senator Pedersen."

Senator Pedersen: "Well, thank you very much Mr. President. I think this is a good teachable moment for everyone to understand exactly what Article 2, Section 41 of the Constitution says. May I read Mr. President?"

President Habib: "Proceed."

Senator Pedersen: "It says in relevant part 'no act or bill approved by a majority of the electors voting thereon shall be amended or repealed by the legislature within a period of two years following such enactment, provided, that any such act, law, or bill may be amended within two years after such enactment at any regular or special session of the legislature by a vote of two-thirds of all the members elected to each house with full compliance with section 12, Article III, of the Washington Constitution' etc, the point being, I guess Mr. President, that initiatives to the legislature are different from initiatives voted on by the people. Initiatives to the legislature may be amended immediately after enactment just like any other public law. The constitution provides the special protection only to measures that have been enacted by the people. Thank you."

President Habib: "One moment Senator Baumgartner. Senator Pedersen, just stay standing for a quick question. I just want to know, for the President's information, so that is it your argument that this is amending an initiative to the legislature, that's what Engrossed Substitute House Bill 3003 is seeking to do, is amend I-940 and therefore because its initiative legislation before the legislature, it according to you, would require a simple majority not the two-thirds?"

Senator Pedersen: "Mr. President, that is correct. The bill is contingent on and goes into effect only if Initiative 940 is enacted by the legislature, is not subject to a referendum challenge, and goes into effect in June after that, a day later, this bill would become effective if we enact it."

President Habib: "So you're saying that constitutes amending the initiative?"

Senator Pedersen: "That constitutes a subsequent amendment of the initiative. Thank you."

President Habib: "There have been remarks, Senator Baumgartner unless you have another point, my practice has been to allow one speech on either side of this so we don't have a whole parliamentary debate on the floor. But you are obviously able to communicate through counsel. Senator Liias, the President needs a few moments to consider this question. How would you like to proceed?"

MOTION

On motion of Senator Liias, further consideration of House Bill No. 3003 was deferred and the bill held its place on the third reading calendar.

MOTION

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

MESSAGE FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:

The House has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE SENATE BILL NO. 6032 and has passed the bill as recommended by the Conference Committee.

and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

REPORT OF THE CONFERENCE COMMITTEE

Senate Bill No. 6032

March 7, 2018

MR. PRESIDENT:

MR. SPEAKER:

We of your conference committee, to whom was referred Senate Bill No. 6032, have had the same under consideration and recommend that all previous amendments not be adopted and that the following striking amendment be adopted:

And the bill do pass as recommended by the conference committee.

Signed by Senators Billig and Rolfes; Representatives Ormsby and Robinson.

MOTION

Senator Rolfes moved that the Report of the Conference Committee on Senate Bill No. 6032 be adopted.

Senator Rolfes spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Rolfes that the Report of the Conference Committee on Senate Bill No. 6032 be adopted.

The motion by Senator Rolfes carried and the Report of the Conference Committee was adopted by voice vote.

Senators Rolfes, Ranker and Billig spoke in favor of passage of the bill.

Senators Braun, Baumgartner, Hawkins, Brown, O'Ban, Ericksen, Miloscia, Walsh, Schoesler, Fain, Angel, Becker and Wilson spoke against passage of the bill.

POINT OF ORDER

Senator Braun: "Thank you Mr. President. I know you pointed out yesterday that you don't regulate the truth on the floor of the Senate, but there was an incorrect statement made a moment ago. Our budget proposal was for a billion dollars in property tax relief, it is very clearly documented. It is not the same as \$385,000,000.00. Thank you Mr. President."

REMARKS BY THE PRESIDENT

President Habib: “Senator Braun, you have spoken once before, and again, if you have a point of order, if senators have a point of order they can raise a point of order, but please don’t use parliamentary maneuvers to sneak in an additional remark. Again, these are the rules that you all have.”

PARLIAMENTARY INQUIRY

Senator Braun: “Thank you Mr. President. Mr. President could you give us some guidance how we are to appropriately respond when there are factually incorrect statements made on the floor of the Senate. I don’t understand how we can have honest and robust debate if we don’t present the facts correctly and I am unsure how to respond in these situations.”

REPLY BY THE PRESIDENT

President Habib: “Senator Braun, I can not tell you how best to get your message out or respond to other messages, other senators. The way to do that is to use the debate on third reading. According to the vote of the Senate, debate on third reading and debate generally today has been limited in the ways you know it has been. That is not my ruling, its what’s happened pursuant to the rules and so I have no other guidance to give you on the question of how to contradict what another senator has said on the floor with respect to fact or fiction.”

Senator Rivers spoke against passage of the bill.

PARLIAMENTARY INQUIRY

Senator Ericksen: “Thank you Mr. President. Is it possible for a member to yield their three minutes of speaking time allotted through this very limited debate process that we have on the budget to another member? Is that allowed?”

RULING BY THE PRESIDENT

President Habib: “Senator Ericksen, in response to your question, there is no rule that specifically addresses that question. However, when the motion was made by Senator Liias, the language of the motion specifically said that the debate would be limited in such a way that each senator would have three minutes to speak themselves with the exception of, each senator would have three minutes to speak. There was, he did not say there would be three minutes per senator allowed in debate. It was made, the motion was made in such a way that each senator was given an allotment of time and so there is no reason, there is no rule that would indicate transferability.”

Senator Frockt spoke in favor of passage of the bill.

POINT OF ORDER

Senator Baumgartner: “Thank you Mr. President. I think it is important that we have a full and honest debate here so I would like to know how I can make a motion so we could remove the three minute rule so people of the state could be given the accurate facts about this budget. So can I make a motion that we remove the three minute rule? Is that in order Mr. President?”

REPLY BY THE PRESIDENT

President Habib: “You just made that motion Senator Baumgartner. Just to be clear on what your motion is, is you

motion to roll back the entire, Senator Liias entire motion or”

Senator Baumgartner: “Yes, Mr. President, it is. I am moving that we remove the three minute rule.”

President Habib: “That is only part of it.

Senator Baumgartner: “Excuse me Mr. President, let me clarify. I am moving that we remove the rule as adopted by Senator Liias today limiting debate on the Senate floor for the purpose of having an honest discussion on this budget.”

President Habib: “Okay.”

MOTION

Senator Baumgartner demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

Senator Ericksen spoke in favor of adoption of the motion.
Senator Liias spoke against adoption of the motion.

The President declared the question before the Senate to be the motion by Senator Baumgartner to rollback the debate limits put in place earlier today pursuant to Rule 29.

ROLL CALL

The Secretary called the roll on the motion by Senator Baumgartner to roll back the debate limits adopted earlier in the day and the motion did not carry by the following vote: Yeas, 23; Nays, 26; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Honeyford, King, Miloscia, O’Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

Voting nay: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hawkins, Hobbs, Hunt, Keiser, Kuderer, Liias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

The President declared the question before the Senate to be the final passage of Senate Bill No. 6032, as recommended by the Conference Committee.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 6032, as recommended by the Conference Committee, and the bill passed the Senate by the following vote: Yeas, 25; Nays, 24; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

Voting nay: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O’Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

SENATE BILL NO. 6032, as recommended by the Conference Committee, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Rolfes: “I want to first of all thank my caucus for trusting me to write this budget this year. I would also like to thank Senator Braun and Senator Brown for the work that they did. Although I am sure Senator Braun doesn’t want me to say this, his fingerprints are actually all over the workings of this budget. He was extremely helpful mentoring me when I first started this job and offered really insightful comments and history that were valuable in constructing this. More importantly though than thanking my colleagues, is thinking the staff that worked so hard on this budget. I think that what people don’t recognize is that not only does the Ways & Means staff write the budget that we see here today, but they write shadow budgets, versions of the budgets, secret amendments and things that actually never see the light of day because their job is to work for all of us, not just the budget writer. And they have been up who knows how many hours of sleep they haven’t had while they supported every single member of this body. So, Mr. President, I’d actually like to read their names out loud, I’m confident that they are watching because they are waiting for this. They are waiting for this to get adopted.”

President Habib: “Please proceed.”

Senator Rolfes: “I would like to particularly thank Michael Bezanson and Clint MccCarthy who were the leaders of the staff that wrote this budget. Also, Richard Ramsey, Jeff Mitchell, Julie Murray, Amanda Cecil, Claire Goodwin, Jed Herman, Maria Hovde, Alia Kennedy, James Kettel, Danny Masterson, Jeff Naas, Sarian Scott, Sandy Stith, Travis Sugarman, Jasmin Adams, Heidi Buyak, and Peter Lindgren. And I would like to ask the body to give them a round of applause. I would also like the body to thank Matt Bridges, who is the Senate Democratic budget caucus staff as well as Ryan Moore who was the Republican caucus staff on this budget because they were also worn ragged supporting us. And both of them also have provided a ton of input and intelligent remarks in crafting this budget. So Ryan and Matt, I know that they are here, thank you.

Finally, Mr. President, I would like to say that notwithstanding the personal beating that I just endured on this budget, I very much look forward to working with everybody next year if I am in this role again next year, but hopefully working, all working together again for the benefit of the entire state of Washington.”

PERSONAL PRIVILEGE

Senator Braun: “Thank you Mr. President. So, I appreciate you letting Senator Rolfes go first because she rose for the exact same reason I did and she did a much better job than I would do. So she thanked everyone in the room pretty much and she did it very well and they are all very much deserving of the thanks. I would just like to thank her. I, as previously stated, have some concerns about the budget, but I very much appreciated working with Senator Rolfes. She is highly competent, professional and kind, and just a pleasure to work with. The same thing to Senator Frockt, the Vice Chair. As I have stated, I think we have to figure out a way to be, to disagree in this chamber without being disagreeable and they both set a high standard there and I appreciate it. And then I would like to quickly chime in on her thanks for the staff, the Ways & Means staff, and our partisan staff have done an amazing job. They had some real tough challenges. I am very proud to work with them. As I said before, they really are a credit to this institution and the state of Washington. Thank you Mr. President.”

MOTION

At 1:22 p.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President.

Senator McCoy announced a Facilities and Operations meeting at 1:40 p.m.

The Senate was called to order at 2:50 p.m. by President Habib.

MESSAGES FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:

The Speaker has signed:

- SUBSTITUTE HOUSE BILL NO. 1209,
- ENGROSSED HOUSE BILL NO. 1237,
- SECOND SUBSTITUTE HOUSE BILL NO. 1377,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1439,
- HOUSE BILL NO. 1452,
- SUBSTITUTE HOUSE BILL NO. 1524,
- SUBSTITUTE HOUSE BILL NO. 1539,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1561,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1783,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1889,
- SECOND SUBSTITUTE HOUSE BILL NO. 2015,
- ENGROSSED HOUSE BILL NO. 2097,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2143,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2177,
- SUBSTITUTE HOUSE BILL NO. 2276,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 2285,
- SUBSTITUTE HOUSE BILL NO. 2322,
- SUBSTITUTE HOUSE BILL NO. 2367,
- THIRD SUBSTITUTE HOUSE BILL NO. 2382,
- SUBSTITUTE HOUSE BILL NO. 2424,
- SUBSTITUTE HOUSE BILL NO. 2561,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2578,
- SUBSTITUTE HOUSE BILL NO. 2627,
- SUBSTITUTE HOUSE BILL NO. 2651,
- SUBSTITUTE HOUSE BILL NO. 2664,
- SUBSTITUTE HOUSE BILL NO. 2667,
- SUBSTITUTE HOUSE BILL NO. 2685,
- SUBSTITUTE HOUSE BILL NO. 2692,
- HOUSE BILL NO. 2709,
- HOUSE BILL NO. 2733,
- ENGROSSED HOUSE BILL NO. 2759,
- ENGROSSED HOUSE BILL NO. 2777,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2779,
- HOUSE BILL NO. 2816,
- SUBSTITUTE HOUSE BILL NO. 2824,
- HOUSE BILL NO. 2892,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

March 8, 2018

MR. PRESIDENT:

The Speaker has signed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5143,
 ENGROSSED FOURTH SUBSTITUTE SENATE BILL
 NO. 5251,
 ENGROSSED SENATE BILL NO. 5518,
 SUBSTITUTE SENATE BILL NO. 6126,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6127,
 SENATE BILL NO. 6179,
 SENATE BILL NO. 6210,
 SENATE BILL NO. 6218,
 SENATE BILL NO. 6231,
 SENATE BILL NO. 6240,
 SENATE BILL NO. 6287,
 SENATE BILL NO. 6298,
 SUBSTITUTE SENATE BILL NO. 6318,
 SENATE BILL NO. 6363,
 SENATE BILL NO. 6367,
 SENATE BILL NO. 6368,
 SENATE BILL NO. 6393,
 SENATE BILL NO. 6404,
 SENATE BILL NO. 6408,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6413,
 SENATE BILL NO. 6414,
 SUBSTITUTE SENATE BILL NO. 6438,
 SECOND SUBSTITUTE SENATE BILL NO. 6453,
 SENATE BILL NO. 6462,
 SUBSTITUTE SENATE BILL NO. 6475,
 SUBSTITUTE SENATE BILL NO. 6544,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

SIGNED BY THE PRESIDENT

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

SENATE BILL NO. 5598,
 ENGROSSED SENATE BILL NO. 5917,
 SUBSTITUTE SENATE BILL NO. 5991,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6257,
 SUBSTITUTE SENATE BILL NO. 6273,
 SECOND SUBSTITUTE SENATE BILL NO. 6274,
 SUBSTITUTE SENATE BILL NO. 6313,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6329,
 SUBSTITUTE SENATE BILL NO. 6388,
 SENATE BILL NO. 6407,
 SUBSTITUTE SENATE BILL NO. 6419,
 SENATE BILL NO. 6471,
 SUBSTITUTE SENATE BILL NO. 6474,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6491,
 SUBSTITUTE SENATE BILL NO. 6493,
 SUBSTITUTE SENATE BILL NO. 6514,
 SUBSTITUTE SENATE BILL NO. 6560,
 HOUSE BILL NO. 2582,
 SUBSTITUTE HOUSE BILL NO. 2597,
 HOUSE BILL NO. 2611,
 SUBSTITUTE HOUSE BILL NO. 2634,
 SUBSTITUTE HOUSE BILL NO. 2639,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2658,
 HOUSE BILL NO. 2661,
 HOUSE BILL NO. 2669,
 HOUSE BILL NO. 2682,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2684,
 SUBSTITUTE HOUSE BILL NO. 2686,
 HOUSE BILL NO. 2699,

HOUSE BILL NO. 2702,
 SUBSTITUTE HOUSE BILL NO. 2703,
 HOUSE BILL NO. 2751,
 SUBSTITUTE HOUSE BILL NO. 2752,
 SUBSTITUTE HOUSE BILL NO. 2786,
 ENGROSSED HOUSE BILL NO. 2808,
 HOUSE BILL NO. 2851,
 ENGROSSED HOUSE BILL NO. 2861,
 ENGROSSED HOUSE BILL NO. 2948,
 HOUSE JOINT MEMORIAL NO. 4002,
 SUBSTITUTE SENATE BILL NO. 5064,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5084,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 5179,
 SUBSTITUTE SENATE BILL NO. 5522,
 SUBSTITUTE SENATE BILL NO. 5553.

MOTION

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

The Senate resumed consideration of Engrossed Substitute House Bill No. 3003 which it had deferred earlier in the day.

RULING BY THE PRESIDENT

President Habib: "A point of order was raised by Senator Baumgartner on the question of how many votes this bill will require for passage, for final passage. Once again, we will write a formal opinion, but given how much is going on today on the final day of the regular session we, I am going to rule from the rostrum for the time being.

The President wants to point out, first of all, there were a number of constitutional questions that were discussed by members during the striking amendment debate. The only question brought before the President was a parliamentary question about the vote threshold for final passage. And the question, the point of inquiry only requires the President to look to the constitution and so far as the constitution gives guidance around the vote threshold. When it comes to the issue of initiatives, the only, the only instance in which a particular vote threshold is articulated is in the event of an initiative to the people, meaning when the language used refers to a majority of electors having voted. And in that instance, the initiative may not be amended for two years unless it is amended by a two-thirds vote of each of the houses of the legislature. There is no mention made of any vote threshold for amendments to initiatives brought to the legislature. So, in the absence of any articulated guidance to the President, that would articulate a different vote threshold, the President looks to the default vote threshold for a bill, which is in Article II, section 22 which is a constitutional majority, so in this body that would be 25 votes."

PERSONAL PRIVILEGE

Senator Baumgartner: "Thank you Mr. President. I would encourage, that if possible, I appreciate that you are going to provide a written ruling, perhaps it might be in order and a good standard for this Senate if there was an ability to include with that a dissenting opinion from the maker of the motion or the person inquiring, so just some thought on that in the future, just for the record and the benefit of public discourse."

REPLY BY THE PRESIDENT

SIXTIETH DAY, MARCH 8, 2018

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President Habib: “Senator Baumgartner, we will be happy to, and have in the past, not consistently but, are happy to summarize the remarks that you made, or I believe Senator Ericksen actually if I am not mistaken, maybe made, in, maybe it was you, in support of your position. As well as that of Senator Pedersen. Summarize those for articulating the ruling of the President. We would be happy to do that to give the future readers insight into what the two parties believed.”

THIRD READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 3003, by House Committee on Public Safety (originally sponsored by Representatives Goodman and Hayes)

Relating to law enforcement. Revised for 1st Substitute: Concerning law enforcement.

The bill was read on Third Reading.

Senators Pedersen, Frockt, Dhingra and Saldaña spoke in favor of passage of the bill.

Senators Padden, Ericksen, Hawkins, Fortunato, Baumgartner, Becker and Angel spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 3003.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 3003 and the bill passed the Senate by the following vote: Yeas, 25; Nays, 24; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

Voting nay: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O’Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

ENGROSSED SUBSTITUTE HOUSE BILL NO. 3003, 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.

PARLIAMENTARY INQUIRY

Senator Ericksen: “So, what is our current policy with regards to the use of cellular devices for video recording from the wings and on the floor while we are engaged in floor action? By nonmembers of the media?”

President Habib: “Do you mean by Senators?”

Senator Ericksen: “By Senators, people in the wings, people not in the gallery, and people not involved in the media?”

RULING BY THE PRESIDENT

President Habib: “Senator Ericksen, so Senator Ericksen has asked the President regarding the Senate’s own rules concerning the use of mobile devices for video recording and there are two,

two sources of authority here in the rules. One is there has been a slight liberalization with respect to the use of cell phones, but even under the more liberal rules that you all adopted earlier this year the use of cell phones is to be respectful and so the President believes that not only means keeping on silent, a gentle reminder about that, but also to that respectful use does not include using it for video recording of other members. And the other, the other issue that the President would remind members of is the issue of decorum. Indecorous conduct and you know I, I don’t want to as much as some might believe, I don’t enjoy having to bring these issues up all the time, but the President does find that you are as dignified as you behave. And so, whether it is taking photos of each other or videos of each other during speeches, tearing up copies of our constitution, whatever it might be, I think we all need to think about the behavior we exhibit. The speech of course, we want to be as permissive as possible of senators’ speech.

One final note, is with regard to the wings, the President believes that a very limited, if there is a situation where a member of staff would like to take an isolated photo for some reason that there is some leeway there but the President, if there is an issue in the wings where its creating disruption, videos, etc. then the President will ask that conduct be ceased, just as I do when it comes to excessive speaking and noise in the wings. So, Senator Ericksen, I hope that answers your question.”

MOTION

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

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 2269, by House Committee on Finance (originally sponsored by Representatives Kilduff, Muri, Kraft, Stanford, Eslick, McBride, Sawyer, Orcutt, Haler, Senn, Reeves, Young, Ryu and Doglio)

Concerning tax relief for adaptive automotive equipment for veterans and service members with disabilities.

The measure was read the second time.

MOTION

On motion of Senator Rolfes, the rules were suspended, Second Substitute House Bill No. 2269 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Rolfes and Braun spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 2269.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 2269 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O’Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick,

Wellman, Wilson and Zeiger

SECOND SUBSTITUTE HOUSE BILL NO. 2269, 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 Lias, the Senate reverted to the fourth order of business.

MESSAGE FROM THE HOUSE

March 7, 2018

MR. PRESIDENT:

The House receded from its amendment(s) to SENATE BILL NO. 5987. Under suspension of the rules, the bill was returned to second reading for the purposes of amendment(s). The House adopted the following amendment(s): 5987 AMH GOOD HARO 414, and passed the bill as amended by the House.

On page 2, beginning on line 30, after "to" strike all material through "Prevent" on line 33 and insert "assure the appearance of the defendant at trial or to prevent"

On page 4, after line 13, insert the following:
"NEW SECTION. Sec. 6. A new section is added to chapter 10.21 RCW to read as follows:

A judicial officer in a municipal, district, or superior court imposing conditions of pretrial release for a defendant accused of a misdemeanor, gross misdemeanor, or felony offense, may prohibit the defendant from possessing or consuming any intoxicating liquors or drugs not prescribed to the defendant, and require the defendant to submit to testing to determine the defendant's compliance with this condition, when the judicial officer determines that such condition is necessary to protect the public from harm."

Correct the title.

and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

Senator Padden moved that the Senate concur in the House amendment(s) to Senate Bill No. 5987.

Senators Padden and Pedersen spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Padden that the Senate concur in the House amendment(s) to Senate Bill No. 5987.

The motion by Senator Padden carried and the Senate concurred in the House amendment(s) to Senate Bill No. 5987 by voice vote.

The President declared the question before the Senate to be the final passage of Senate Bill No. 5987, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Senate Bill No. 5987, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway,

Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SENATE BILL NO. 5987, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 7, 2018

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 6340 with the following amendment(s): 6340-S AMH ORMS PRIN 586

On page 1, line 11, after "benefit of" strike "two" and insert "one and one-half"

On page 2, line 1, after "of" strike "two" and insert "one and one-half"

and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

PERSONAL PRIVILEGE

Senator Becker: "Thank you Mr. President. I just want to say a very happy birthday to Senator Sheldon tomorrow. We won't be here to say that to him, so I wanted to be able to have this whole group wish him a happy birthday. Thank you Mr. President.

REMARKS BY THE PRESIDENT

President Habib: "Senator Sheldon, the Senate wishes you, our longest serving member, a very happy birthday. Let's give him a round of applause."

MOTION

Senator Conway moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6340.

Senator Conway spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Conway that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 6340.

The motion by Senator Conway carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 6340 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 6340, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 6340, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker,

SIXTIETH DAY, MARCH 8, 2018

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Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SUBSTITUTE SENATE BILL NO. 6340, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 7, 2018

MR. PRESIDENT:

The House passed ENGROSSED SENATE BILL NO. 6087 with the following amendment(s): 6087.E AMH ENGR H5191.E

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 28B.95.020 and 2016 c 69 s 2 are each amended to read as follows:

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

(1) "Academic year" means the regular nine-month, three-quarter, or two-semester period annually occurring between August 1st and July 31st.

(2) "Account" means the Washington advanced college tuition payment program account established for the deposit of all money received by the office from eligible purchasers and interest earnings on investments of funds in the account, as well as for all expenditures on behalf of eligible beneficiaries for the redemption of tuition units and for the development of any authorized college savings program pursuant to RCW 28B.95.150.

(3) "Advisor sold" means a channel through which a broker dealer, investment advisor, or other financial intermediary recommends the Washington college savings program established pursuant to RCW 28B.95.010 to eligible investors and assists with the opening and servicing of individual college savings program accounts.

(4) "College savings program account" means the Washington college savings program account established pursuant to RCW (~~28B.95.010~~) 28B.95.085.

(5) "Committee on advanced tuition payment and college savings" or "committee" means a committee of the following members: The state treasurer, the director of the office of financial management, the director of the office, or their designees, and two members to be appointed by the governor, one representing program participants and one private business representative with marketing, public relations, or financial expertise.

(6) "Contractual obligation" means a legally binding contract of the state with the purchaser and the beneficiary establishing that purchases of tuition units in the advanced college tuition payment program will be worth the same number of tuition units at the time of redemption as they were worth at the time of the purchase, except as provided in RCW 28B.95.030 (7) and (8).

(7) "Dual credit fees" means any fees charged to a student for participation in college in the high school under RCW 28A.600.290 or running start under RCW 28A.600.310.

(8) "Eligible beneficiary" means the person designated as the individual whose education expenses are to be paid from the

advanced college tuition payment program or the college savings program. Qualified organizations, as allowed under section 529 of the federal internal revenue code, purchasing tuition unit contracts as future scholarships need not designate a beneficiary at the time of purchase.

(9) "Eligible contributor" means an individual or organization that contributes money for the purchase of tuition units, and for an individual college savings program account established pursuant to this chapter for an eligible beneficiary.

(10) "Eligible purchaser" means an individual or organization that has entered into a tuition unit contract with the governing body for the purchase of tuition units in the advanced college tuition payment program for an eligible beneficiary, or that has entered into a participant college savings program account contract for an eligible beneficiary. The state of Washington may be an eligible purchaser for purposes of purchasing tuition units to be held for granting Washington college bound scholarships.

(11) "Full-time tuition charges" means resident tuition charges at a state institution of higher education for enrollments between ten credits and eighteen credit hours per academic term.

(12) "Governing body" means the committee empowered by the legislature to administer the Washington advanced college tuition payment program and the Washington college savings program.

(13) "Individual college savings program account" means the formal record of transactions relating to a Washington college savings program beneficiary.

(14) "Institution of higher education" means an institution that offers education beyond the secondary level and is recognized by the internal revenue service under chapter 529 of the internal revenue code.

(15) "Investment board" means the state investment board as defined in chapter 43.33A RCW.

(16) "Investment manager" means the state investment board, another state, or any other entity as selected by the governing body, including another college savings plan established pursuant to section 529 of the internal revenue code.

(17) "Office" means the office of student financial assistance as defined in chapter 28B.76 RCW.

(18) "Owner" means the eligible purchaser or the purchaser's successor in interest who shall have the exclusive authority to make decisions with respect to the tuition unit contract or the individual college savings program contract. The owner has exclusive authority and responsibility to establish and change the asset investment options for a beneficiaries' individual college savings program account.

(19) "Participant college savings program account contract" means a contract to participate in the Washington college savings program between an eligible purchaser and the office.

(20) "State institution of higher education" means institutions of higher education as defined in RCW 28B.10.016.

(21) "Tuition and fees" means undergraduate tuition and services and activities fees as defined in RCW 28B.15.020 and 28B.15.041 rounded to the nearest whole dollar. For purposes of this chapter, services and activities fees do not include fees charged for the payment of bonds heretofore or hereafter issued for, or other indebtedness incurred to pay, all or part of the cost of acquiring, constructing, or installing any lands, buildings, or facilities.

(22) "Tuition unit contract" means a contract between an eligible purchaser and the governing body, or a successor agency appointed for administration of this chapter, for the purchase of tuition units in the advanced college tuition payment program for a specified beneficiary that may be redeemed at a later date for an equal number of tuition units, except as provided in RCW

28B.95.030 (7) and (8).

(23) "Unit cash value price" means the total value of assets under management in the advanced college tuition payment program on a date to be determined by the committee, divided by the total number of outstanding units purchased by eligible purchasers before July 1, 2015, and any outstanding units accrued by eligible purchasers as a result of the July 2017 unit rebase. For purposes of this calculation, the total market value of assets shall exclude the total accumulated market value of proceeds from units purchased after June 30, 2015.

(24) "Unit purchase price" means the minimum cost to purchase one tuition unit in the advanced college tuition payment program for an eligible beneficiary. Generally, the minimum purchase price is one percent of the undergraduate tuition and fees for the current year, rounded to the nearest whole dollar, adjusted for the costs of administration and adjusted to ensure the actuarial soundness of the account. The analysis for price setting shall also include, but not be limited to consideration of past and projected patterns of tuition increases, program liability, past and projected investment returns, and the need for a prudent stabilization reserve.

Sec. 2. RCW 28B.95.030 and 2016 c 69 s 4 are each amended to read as follows:

(1) The Washington advanced college tuition payment program shall be administered by the committee on advanced tuition payment which shall be chaired by the director of the office. The committee shall be supported by staff of the office.

(2)(a) The Washington advanced college tuition payment program shall consist of the sale of tuition units, which may be redeemed by the beneficiary at a future date for an equal number of tuition units regardless of any increase in the price of tuition, that may have occurred in the interval, except as provided in subsections (7) and (8) of this section.

(b) Each purchase shall be worth a specific number of or fraction of tuition units at each state institution of higher education as determined by the governing body, except as provided in subsections (7) and (8) of this section.

(c) The number of tuition units necessary to pay for a full year's, full-time undergraduate tuition and fee charges at a state institution of higher education shall be set by the governing body at the time a purchaser enters into a tuition unit contract, except as provided in subsections (7) and (8) of this section.

(d) The governing body may limit the number of tuition units purchased by any one purchaser or on behalf of any one beneficiary, however, no limit may be imposed that is less than that necessary to achieve four years of full-time, undergraduate tuition charges at a state institution of higher education. The governing body also may, at its discretion, limit the number of participants, if needed, to ensure the actuarial soundness and integrity of the program.

(e) While the Washington advanced college tuition payment program is designed to help all citizens of the state of Washington, the governing body may determine residency requirements for eligible purchasers and eligible beneficiaries to ensure the actuarial soundness and integrity of the program.

(3)(a) No tuition unit may be redeemed until two years after the purchase of the unit.

(b) Units may be redeemed for enrollment at any institution of higher education that is recognized by the internal revenue service under chapter 529 of the internal revenue code. Units may also be redeemed to pay for dual credit fees.

(c) Units redeemed at a nonstate institution of higher education or for graduate enrollment shall be redeemed at the rate for state public institutions in effect at the time of redemption.

(4) The governing body shall determine the conditions under

which the tuition benefit may be transferred to another family member. In permitting such transfers, the governing body may not allow the tuition benefit to be bought, sold, bartered, or otherwise exchanged for goods and services by either the beneficiary or the purchaser.

(5) The governing body shall administer the Washington advanced college tuition payment program in a manner reasonably designed to be actuarially sound, such that the assets of the trust will be sufficient to defray the obligations of the trust including the costs of administration. The governing body may, at its discretion, discount the minimum purchase price for certain kinds of purchases such as those from families with young children, as long as the actuarial soundness of the account is not jeopardized.

(6) The governing body shall annually determine current value of a tuition unit.

(7) For the 2015-16 and 2016-17 academic years only, the governing body shall set the payout value for units redeemed during that academic year only at one hundred seventeen dollars and eighty-two cents per unit. For academic years after the 2016-17 academic year, the governing body shall make program adjustments it deems necessary and appropriate to ensure that the total payout value of each account on October 9, 2015, is not decreased or diluted as a result of the initial application of any changes in tuition under section 3, chapter 36, Laws of 2015 3rd sp. sess. In the event the committee or governing body provides additional units under chapter 36, Laws of 2015 3rd sp. sess., the committee and governing body shall also increase the maximum number of units that can be redeemed in any year to mitigate the reduction in available account value during any year as a result of chapter 36, Laws of 2015 3rd sp. sess. The governing body must notify holders of tuition units after the adjustment in this subsection is made and must include a statement concerning the adjustment.

(8) The governing body shall allow account owners who purchased units before July 1, 2015, to redeem such units at the unit cash value price provided that all the redeemed funds are deposited immediately into an eligible Washington college savings program account established by the governing body. Within ninety days of the effective date of this section, the committee, in consultation with the state actuary and state investment board, shall:

(a) Establish a period that is not less than ninety days during which eligible purchasers may redeem units at the unit cash value price for the purposes of this subsection and provide at least thirty days' notice prior to the ninety-day window to all eligible account holders about the redemption option; and

(b) Establish the unit cash value price. The committee, in consultation with the state actuary and the state investment board, may revalue the unit cash value price established in this subsection (8)(b) up to three times during the ninety-day period in which eligible purchasers may redeem units for the unit cash value price.

(9)(a) After the governing body completes the requirements of subsection (8) of this section, the governing body shall adjust, by March 1, 2019, all remaining unredeemed units purchased before July 1, 2015, as follows:

(i) First, the governing body shall take the difference between the average unit purchase price in each individual's account and the 2016-17 unit payout value and increase the number of units in each individual's account by a number of units of equivalent total value at the 2017-18 unit purchase price, if the average unit purchase price is more than the 2016-17 unit payout value; and

(ii) Second, after (a)(i) of this subsection is completed, the governing body, with assistance from the state actuary, shall grant an additional number of units to each account holder with

unredeemed and purchased units before July 1, 2015, in order to lower the best-estimate funded status of the program to one hundred twenty-five percent, subject to a limit of an increase of fifteen percent of unredeemed and purchased units per account holder. The state actuary shall select the measurement date, assumptions, and methods necessary to perform an actuarial measurement consistent with the purpose of this subsection.

(b) For the purpose of this subsection (9), and for account holders with uncompleted custom monthly contracts, the governing body shall only include purchased and unredeemed units before July 1, 2015.

(10) The governing body shall collect an amortization fee as a component of each future unit sold whenever the governing body determines amortization fees are necessary to increase the best-estimate funded status of the program.

(11) The governing body shall promote, advertise, and publicize the Washington advanced college tuition payment program. Materials and online publications advertising the Washington advanced college tuition payment program shall include a disclaimer that the Washington advanced college tuition payment program's guarantee is that one hundred tuition units will equal one year of full-time, resident, undergraduate tuition at the most expensive state institution of higher education, and that if resident, undergraduate tuition is reduced, a tuition unit may lose monetary value.

~~((9))~~ (12) In addition to any other powers conferred by this chapter, the governing body may:

(a) Impose reasonable limits on the number of tuition units or units that may be used in any one year;

(b) Determine and set any time limits, if necessary, for the use of benefits under this chapter;

(c) Impose and collect administrative fees and charges in connection with any transaction under this chapter;

(d) Appoint and use advisory committees and the state actuary as needed to provide program direction and guidance;

(e) Formulate and adopt all other policies and rules necessary for the efficient administration of the program;

(f) Consider the addition of an advanced payment program for room and board contracts and also consider a college savings program;

(g) Purchase insurance from insurers licensed to do business in the state, to provide for coverage against any loss in connection with the account's property, assets, or activities or to further insure the value of the tuition units;

(h) Make, execute, and deliver contracts, conveyances, and other instruments necessary to the exercise and discharge of its powers and duties under this chapter;

(i) Contract for the provision for all or part of the services necessary for the management and operation of the program with other state or nonstate entities authorized to do business in the state;

(j) Contract for other services or for goods needed by the governing body in the conduct of its business under this chapter;

(k) Contract with financial consultants, actuaries, auditors, and other consultants as necessary to carry out its responsibilities under this chapter;

(l) Solicit and accept cash donations and grants from any person, governmental agency, private business, or organization; and

(m) Perform all acts necessary and proper to carry out the duties and responsibilities of this program under this chapter.

Sec. 3. RCW 28B.95.045 and 2016 c 69 s 6 are each amended to read as follows:

(1) The committee shall create an expedited process by which owners can complete a direct rollover or investment change of a

529 account from a:

(a) ~~((a))~~ State-sponsored prepaid tuition plan to a state-sponsored college savings plan~~((s))~~;

(b) ~~((a))~~ State-sponsored college savings plan to a state-sponsored prepaid tuition plan~~((s))~~; or

(c) ~~((a))~~ State-sponsored prepaid tuition plan or a state-sponsored college savings plan to an out-of-state eligible 529 plan.

(2) The committee shall report annually to the governor and the appropriate committees of the legislature on (a) the number of accounts that have been rolled into the Washington college savings program from out of state and (b) the number of accounts rolled out of the Washington college savings program to 529 plans into other states.

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect April 15, 2018."

Correct the title.

and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

Senator Mullet moved that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 6087.

Senator Mullet spoke in favor of the motion.

PARLIAMENTARY INQUIRY

Senator Palumbo: "Senate Rule 22 provides that a member may not vote on any question of which he or she is personally or directly interested. This bill allows the GET account holders who purchased GET units before July 1, 2015 to redeem their units for cash if the funds are immediately transferred to the Washington College Savings Program. I have three GET accounts for my kids. My question is pursuant to rule 22 should I abstain from voting?"

RULING BY THE PRESIDENT

President Habib: "Senator Palumbo, because you are a member of a very large class of those who have purchase GET credits, this legislation does not concern you personally or in any particular way and therefore the President sees no problem, no issue with you voting on this measure."

The President declared the question before the Senate to be the motion by Senator Mullet that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 6087.

The motion by Senator Mullet carried and the Senate concurred in the House amendment(s) to Engrossed Senate Bill No. 6087 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 6087, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 6087, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 45; Nays, 3; Absent, 1; Excused, 0.

Voting yea: Senators Angel, Bailey, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Saldaña, Schoessler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting nay: Senators Baumgartner, Frockt and Hasegawa
 Absent: Senator Rolfes

ENGROSSED SENATE BILL NO. 6087, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 2, 2018

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 5746 with the following amendment(s): 5746-S AMH ENGR H5081.E

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.15.030 and 2005 c 69 s 1 are each amended to read as follows:

(1) The association of Washington generals is organized as a private, nonprofit, nonpartisan(~~(z)~~) corporation in accordance with chapter 24.03 RCW and this section.

(2) The purpose of the association of Washington generals is to:

(a) Provide the state a means of extending formal recognition for an individual's outstanding services to the state; (~~and~~)

(b) Bring together those individuals to serve the state as ambassadors of trade, tourism, and international goodwill; and

(c) Expand educational, sports, and/or employment opportunities for youth, veterans, and people with disabilities in Washington state.

(3) The association of Washington generals may conduct activities in support of their mission, including but not limited to:

(a) Establishing selection criteria for selecting Washington generals;

(b) (~~Operating a statewide essay competition;~~
~~(e))~~ Training Washington generals as ambassadors of the state of Washington, nationally and internationally; and

~~((d))~~ (c) Promoting Washington generals as ambassadors of the state of Washington.

(4) The association of Washington generals is governed by a board of directors. The board is composed of the governor, lieutenant governor, and the secretary of state, who serve as ex officio, nonvoting members, and other officers and members as the association of Washington generals designates.

(5) The board shall:

(a) Review nominations for and be responsible for the selection of Washington generals; (~~and~~)

(b) Establish the title of honorary Washington general to honor worthy individuals from outside the state of Washington; and

(c) Adopt bylaws and establish governance and transparency policies.

~~((s))~~ (6) The lieutenant governor's office may provide technical and financial assistance for the association of Washington generals, where the work of the association aligns with the mission of the office. Assistance from the lieutenant governor's office may include, but is not limited to:

(a) Collaboration with the association of Washington generals

on the Washington world fellows program, a college readiness and study abroad fellowship administered by the office of the lieutenant governor;

(b) Beginning January 1, 2019, collaboration with the association of Washington generals to administer the sports mentoring program as established under section 3 of this act, a mentoring program to encourage underserved youth to join sports or otherwise participate in the area of sports; and

(c) The compilation of a yearly financial report, which shall be made available to the legislature no later than January 15th of each year, detailing all revenues and expenditures associated with the Washington world fellows program and the sports mentoring program. Any expenditures made by the association of Washington generals in support of the Washington world fellows program and the sports mentoring program shall be made available to the office of the lieutenant governor for the purpose of inclusion in the annual financial report.

~~((6))~~ (7) The legislature may make appropriations in support of the Washington generals subject to the availability of funds.

(8) The office of the lieutenant governor must post on its web site detailed information on all funds received by the association of Washington generals and all expenditures by the association of Washington generals.

Sec. 2. RCW 46.68.420 and 2017 c 25 s 3 and 2017 c 11 s 4 are each reenacted and amended to read as follows:

(1) The department shall:

(a) Collect special license plate fees established under RCW 46.17.220;

(b) Deduct an amount not to exceed twelve dollars for initial issue and two dollars for renewal issue for administration and collection expenses incurred by it; and

(c) Remit the remaining proceeds to the custody of the state treasurer with a proper identifying detailed report.

(2) The state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the special license plate. Upon determination by the department that the state has been reimbursed, the state treasurer shall credit the remaining special license plate fee amounts for each special license plate to the following appropriate account as created in this section in the custody of the state treasurer:

ACCOUNT	CONDITIONS FOR USE OF FUNDS
4-H programs	Support Washington 4-H programs
Fred Hutch	Support cancer research at the Fred Hutchinson cancer research center
Gonzaga University alumni association	Scholarship funds to needy and qualified students attending or planning to attend Gonzaga University
Helping kids speak	Provide free diagnostic and therapeutic services to families of children who suffer from a delay in language or speech development
Law enforcement memorial	Provide support and assistance to survivors and families of law enforcement officers in Washington killed in the line of duty and to organize, finance, fund, construct, utilize, and maintain a memorial on the state capitol

SIXTIETH DAY, MARCH 8, 2018

2018 REGULAR SESSION

Lighthouse environmental programs	<p>grounds to honor those fallen officers</p> <p>Support selected Washington state lighthouses that are accessible to the public and staffed by volunteers; provide environmental education programs; provide grants for other Washington lighthouses to assist in funding infrastructure preservation and restoration; encourage and support interpretive programs by lighthouse docents</p>	<p>throughout Washington state that foster positive youth development and academic success, with up to twenty percent of these proceeds authorized for program administration costs; and (b) up to thirty percent, not to exceed forty-thousand dollars annually as adjusted for inflation by the office of financial management, to the association of Washington generals, to develop Washington state educational, veterans, international relations, and civics projects and to recognize the outstanding public service of individuals or groups in the state of Washington</p>
Music matters awareness	<p>Promote music education in schools throughout Washington</p>	<p>Fund scholarships for students attending or planning to attend Seattle University</p> <p>Promote bicycle safety and awareness education in communities throughout Washington</p>
<u>Seattle Mariners</u>	<p><u>Provide funds to the sports mentoring program and to support the Washington world fellows program in the following manner: (a) Seventy-five percent to the office of the lieutenant governor solely to administer the sports mentoring program established under section 3 of this act, to encourage youth who have economic needs or face adversities to experience spectator sports or get involved in youth sports, and (b) up to twenty-five percent to the office of the lieutenant governor solely to administer the Washington world fellows program, an equity focused program</u></p>	<p>Seattle University</p> <p>Share the road</p> <p>Ski & ride Washington</p> <p>Promote winter snowsports, such as skiing and snowboarding, and related programs, such as ski and ride safety programs, underprivileged youth ski and ride programs, and active, healthy lifestyle programs</p>
Seattle Seahawks	<p>Provide funds to InvestED and to support the <u>Washington world fellows program in the following manner: (a) Seventy-five percent, to InvestED, to encourage secondary students who have economic needs to stay in school, return to school, or get involved within their learning community; and (b) twenty-five percent to the office of the lieutenant governor solely to administer the Washington world fellows program, including the provision of fellowships</u></p>	<p>State flower</p> <p>Volunteer firefighters</p> <p>Receive and disseminate funds for purposes on behalf of volunteer firefighters, their families, and others deemed in need</p>
Seattle Sounders FC	<p>Provide funds to Washington state mentors and the association of Washington generals created in RCW 43.15.030 in the following manner: (a) Seventy percent and the remaining proceeds, if any, to Washington state mentors, to increase the number of mentors in the state by offering mentoring grants</p>	<p>Washington farmers and ranchers</p> <p>Washington state aviation</p> <p><u>Washington state council of firefighters benevolent fund</u></p> <p>Provide funds to the Washington FFA Foundation for educational programs in Washington state</p> <p>Provide funds to the department of transportation to support infrastructure improvements at public use airports in Washington state</p> <p><u>Receive and disseminate funds for charitable purposes on behalf of members of the Washington state council of firefighters, their families, and others deemed in need</u></p> <p>Washington state wrestling</p> <p>Provide funds to the Washington state wrestling foundation to fund new and</p>

- existing college wrestling programs
- ~~((Washington state council of firefighters benevolent fund~~
- Washington tennis
- Washington's national park fund
- We love our pets
- Receive and disseminate funds for charitable purposes on behalf of members of the Washington state council of firefighters, their families, and others deemed in need))
- Provide funds to cities to assist in the construction and maintenance of a public tennis facility with at least four indoor tennis courts. A city is eligible for construction funds if the city does not already have a public or private facility with at least four indoor tennis courts. Funds for construction must first be made available to the most populous eligible city, according to the most recent census, for a time period not to exceed five years after January 1, 2017. After the five-year time period, the funds for construction must be made available to the next most populous eligible city. Funds for the maintenance of a public tennis facility with at least four indoor tennis courts must first be made available to the first eligible city that utilizes funds for construction provided by chapter 16, Laws of 2016
- Build awareness of Washington's national parks and support priority park programs and projects in Washington's national parks, such as enhancing visitor experience, promoting volunteerism, engaging communities, and providing educational opportunities related to Washington's national parks
- Support and enable the Washington federation of animal welfare and control agencies to promote and perform spay/neuter surgery of Washington state pets in order to reduce pet population
- (3) Except as otherwise provided in this section, only the director or the director's designee may authorize expenditures from the accounts described in subsection (2) of this section. The accounts are subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.
- (4) Except as otherwise provided in this section, funds in the special license plate accounts described in subsection (2) of this section must be disbursed subject to the conditions described in subsection (2) of this section and under contract between the department and qualified nonprofit organizations that provide the services described in subsection (2) of this section.
- (5) Funds from the Seattle Seahawks account may be provided
- to the lieutenant governor solely for the purpose of administering the Washington world fellows program. Of the amounts received by the lieutenant governor's office under this subsection, at least ninety percent must be provided as fellowships under the program.
- (6) Beginning January 1, 2019, funds from the Seattle Mariners account may be provided to the office of lieutenant governor solely for the purpose of administering the sports mentoring program. Of the amounts received by the office of lieutenant governor, at least ninety percent must be applied towards services directly provided to youth participants.
- (7) For the purposes of this section, a "qualified nonprofit organization" means a not-for-profit corporation operating in Washington that has received a determination of tax exempt status under 26 U.S.C. Sec. 501(c)(3). The qualified nonprofit organization must meet all the requirements under RCW 46.18.100(1).
- NEW SECTION. Sec. 3.** A new section is added to chapter 43.15 RCW to read as follows:
- (1) The sports mentoring program is established to enable eligible nonprofit community-based organizations to provide opportunities for underserved youth to join sports teams or otherwise participate in the area of sports. The goal of the program is to support youth in building self-confidence, developing skills in the areas of goal setting and collaboration, and promoting a healthy lifestyle through forming positive relationships with peers and family, avoiding risky or delinquent behavior, and achieving educational success. Proceeds from the Seattle Mariners special license plate, issued under RCW 46.18.200, must be deposited into the Seattle Mariners account in accordance with RCW 46.68.420. Funds in the account may only be used, except as provided under RCW 46.68.420(6), for grants to support youth to stay in school, participate in sports, and receive mentorships.
- (2) The office of lieutenant governor will collaborate with the association of Washington generals to issue competitive grants to eligible organizations. The following criteria must be used to prioritize applications:
- (a) Services provided by the organization to program participants are provided without a fee;
- (b) Eligible organizations must assist children with enrolling in sports through their parents, guardians, or coach; and
- (c) Eligible organizations must provide professional staff support to the mentor, child, and parent.
- (3) Eligible organizations must meet the following requirements:
- (a) Be a 501(c)(3) nonprofit organization;
- (b) Conduct national criminal background checks for all employees and volunteer mentors who work with children;
- (c) Have adopted standards for care including staff training, health and safety standards, and mechanisms for assessing and enforcing the program's compliance with the standards adopted;
- (d) Ensure that sixty percent or more of the children they serve are eligible for free or reduced-price lunch;
- (e) Provide free, direct services to children through volunteer mentoring; and
- (f) Provide professional oversight of all mentoring relationships for each child served.
- Sec. 4.** RCW 46.17.220 and 2017 c 25 s 2 and 2017 c 11 s 3 are each reenacted and amended to read as follows:
- ~~((+))~~ In addition to all fees and taxes required to be paid upon application for a vehicle registration in chapter 46.16A RCW, the holder of a special license plate shall pay the appropriate special license plate fee as listed in this section.

PLATE TYPE	INITIAL FEE	RENEWAL FEE	DISTRIBUTE UNDER	Seahawks			
				((a))	\$ 40.00	\$ 30.00	46.68.420
				(21) Seattle Sounders FC			RCW 46.68.420
4-H	((b)) (2) \$ 5.00	N/A	RCW 46.68.070	((c))	\$ 40.00	\$ 30.00	RCW 46.68.420
Amateur radio license	((e)) (3) \$ 40.00	\$ 30.00	RCW 46.68.425	(22) Seattle University	((w))	\$ 40.00	\$ 30.00
Armed forces				(23) Share the road			RCW 46.68.420
Baseball stadium	((d)) \$ 40.00	\$ 30.00	Subsection (2) of this section	((x))	\$ 40.00	\$ 30.00	RCW 46.68.420
(e)) (4) Breast cancer awareness	\$ 40.00	\$ 30.00	RCW 46.68.425	Washington	((y))	\$ 40.00	N/A
	((f)) (5) \$ 35.00	N/A	RCW 46.68.030	(25) Square dancer			RCW 46.68.070
Collector vehicle	((g)) (6) \$ 40.00	\$ 30.00	RCW 46.68.430	((z)) (26) State flower	\$ 40.00	\$ 30.00	RCW 46.68.420
Collegiate	((h)) (7) \$ 40.00	\$ 30.00	RCW 46.68.425	((aa))	\$ 40.00	\$ 30.00	RCW 46.68.420
Endangered wildlife	((i)) (8) \$ 40.00	\$ 30.00	RCW 46.68.420	(27) Volunteer firefighters	((bb))	\$ 40.00	\$ 30.00
Fred Hutch	((j)) (9) \$ 40.00	\$ 30.00	RCW 46.68.420	(28) Washington farmers and ranchers			RCW 46.68.420
Gonzaga University alumni association	((k)) \$ 40.00	\$ 30.00	RCW 46.68.420	((ee))	\$ 40.00	\$ 30.00	RCW 46.68.420
(10) Helping kids speak	((l)) (11) \$ 35.00	N/A	RCW 46.68.030	(29) Washington lighthouses	((dd))	\$ 40.00	\$ 30.00
Horseless carriage	((m)) \$ 45.00	\$ 30.00	RCW 46.68.425	(30) Washington state aviation	((ee))	\$ 40.00	\$ 30.00
(12) Keep kids safe	((n)) \$ 40.00	\$ 30.00	RCW 46.68.420	(31) Washington state parks	((ff))	\$ 40.00	\$ 30.00
(13) Law enforcement memorial	((o)) \$ 5.00	N/A	RCW 46.68.070	(32) Washington state wrestling	((gg))	\$ 40.00	\$ 30.00
(14) Military affiliate radio system	((p)) \$ 40.00	\$ 30.00	RCW 46.68.420	(33) Washington tennis	((hh))	\$ 40.00	\$ 30.00
(15) Music matters	((q)) \$ 40.00	\$ 30.00	RCW 46.68.425	(34) Washington's fish collection			RCW 46.68.425
Purple Heart	((r)) (16) \$ 40.00	\$ 30.00	RCW 46.68.420	(35) Washington's national parks	((ii))	\$ 40.00	\$ 30.00
Professional firefighters and paramedics	((s)) (17) \$ 40.00	\$ 30.00	RCW 46.68.425	(36) Washington's wildlife collection			RCW 46.68.425
(18) Ride share	((t)) (19) Seattle Mariners	\$ 40.00	\$ 30.00	RCW 46.68.420			RCW 46.68.420
	(20) Seattle	\$ 40.00	\$ 30.00	RCW			RCW

((44))	\$ 40.00	\$ 30.00	RCW
(37) We love our pets			46.68.420
((44))	\$ 40.00	\$ 30.00	RCW
(38) Wild on Washington			46.68.425

~~((2) After deducting administration and collection expenses for the sale of baseball stadium license plates, the remaining proceeds must be distributed to a county for the purpose of paying the principal and interest payments on bonds issued by the county to construct a baseball stadium, as defined in RCW 82.14.0485, including reasonably necessary preconstruction costs, while the taxes are being collected under RCW 82.14.360. After this date, the state treasurer shall credit the funds to the state general fund.))~~

Sec. 5. RCW 46.18.200 and 2017 c 25 s 1 and 2017 c 11 s 2 are each reenacted and amended to read as follows:

(1) Special license plate series reviewed and approved by the department:

- (a) May be issued in lieu of standard issue or personalized license plates for vehicles required to display one and two license plates unless otherwise specified;
- (b) Must be issued under terms and conditions established by the department;
- (c) Must not be issued for vehicles registered under chapter 46.87 RCW; and
- (d) Must display a symbol or artwork approved by the department.

(2) The department approves and shall issue the following special license plates:

LICENSE PLATE	DESCRIPTION, SYMBOL, OR ARTWORK
4-H	Displays the "4-H" logo.
Armed forces collection	Recognizes the contribution of veterans, active duty military personnel, reservists, and members of the national guard, and includes six separate designs, each containing a symbol representing a different branch of the armed forces to include army, navy, air force, marine corps, coast guard, and national guard.
Breast cancer awareness	Displays a pink ribbon symbolizing breast cancer awareness.
Endangered wildlife	Displays a symbol or artwork symbolizing endangered wildlife in Washington state.
Fred Hutch	Displays the Fred Hutch logo.
Gonzaga University alumni association	Recognizes the Gonzaga University alumni association.
Helping kids speak	Recognizes an organization that supports programs that provide no-cost speech pathology programs to children.
Keep kids safe	Recognizes efforts to prevent child abuse and neglect.
Law enforcement memorial	Honors law enforcement

Music matters	Displays the "Music Matters" logo.
Professional firefighters and paramedics	Recognizes professional firefighters and paramedics who are members of the Washington state council of firefighters.
<u>Seattle Mariners</u>	<u>Displays the "Seattle Mariners" logo.</u>
Seattle Seahawks	Displays the "Seattle Seahawks" logo.
Seattle Sounders FC	Displays the "Seattle Sounders FC" logo.
Seattle University	Recognizes Seattle University.
Share the road	Recognizes an organization that promotes bicycle safety and awareness education.
Ski & ride Washington	Recognizes the Washington snowsports industry.
State flower	Recognizes the Washington state flower.
Volunteer firefighters	Recognizes volunteer firefighters.
Washington farmers and ranchers	Recognizes farmers and ranchers in Washington state.
Washington lighthouses	Recognizes an organization that supports selected Washington state lighthouses and provides environmental education programs.
Washington state aviation	Displays a Stearman biplane in the foreground with an image of Mount Rainier in the background.
Washington state parks	Recognizes Washington state parks as premier destinations of uncommon quality that preserve significant natural, cultural, historical, and recreational resources.
Washington state wrestling	Promotes and supports college wrestling in the state of Washington.
Washington tennis	Builds awareness and year-round opportunities for tennis in Washington state. Displays a symbol or artwork recognizing tennis in Washington state.
<u>Washington's fish collection</u>	<u>Recognizes Washington's fish.</u>
Washington's national park fund	Builds awareness of Washington's national parks and supports priority park programs and projects in Washington's national parks, such as enhancing visitor experience, promoting volunteerism, engaging communities, and providing educational opportunities related to Washington's

officers in Washington killed in the line of duty.

national parks.
 (~~Washington's fish collection~~) Recognizes ~~Washington's fish.~~
 Washington's wildlife collection Recognizes Washington's wildlife.
 We love our pets Recognizes an organization that assists local member agencies of the federation of animal welfare and control agencies to promote and perform spay/neuter surgery on Washington state pets to reduce pet overpopulation.
 Wild on Washington Symbolizes wildlife viewing in Washington state.

~~82.14.360. After the principal and interest payments on bonds have been made, the state treasurer shall credit the funds to the state general fund.)~~
 Student scholarships

Collegiate RCW 28B.10.890

NEW SECTION. Sec. 7. A new section is added to chapter 46.04 RCW to read as follows:

"Seattle Mariners license plates" means special license plates issued under RCW 46.18.200 that display a symbol or artwork recognizing the Seattle Mariners.

NEW SECTION. Sec. 8. The following acts or parts of acts are each repealed:

(1)RCW 46.04.062 (Baseball stadium license plate) and 2010 c 161 s 105; and

(2)RCW 46.18.215 (Baseball stadium license plates) and 2011 c 332 s 3, 2010 c 161 s 614, 1997 c 291 s 5, 1995 3rd sp.s. c 1 s 102, 1994 c 194 s 2, & 1990 c 250 s 1.

NEW SECTION. Sec. 9. Sections 3 through 8 of this act take effect January 1, 2019."

Correct the title.

and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

Senator Kuderer moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5746.

Senator Kuderer spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Kuderer that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5746.

The motion by Senator Kuderer carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5746 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5746, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5746, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

SUBSTITUTE SENATE BILL NO. 5746, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered

(3) Applicants for initial and renewal professional firefighters and paramedics special license plates must show proof of eligibility by providing a certificate of current membership from the Washington state council of firefighters.

(4) Applicants for initial volunteer firefighters special license plates must (a) have been a volunteer firefighter for at least ten years or be a volunteer firefighter for one or more years and (b) have documentation of service from the district of the appropriate fire service. If the volunteer firefighter leaves firefighting service before ten years of service have been completed, the volunteer firefighter shall surrender the license plates to the department on the registration renewal date. If the volunteer firefighter stays in service for at least ten years and then leaves, the license plate may be retained by the former volunteer firefighter and as long as the license plate is retained for use the person will continue to pay the future registration renewals. A qualifying volunteer firefighter may have no more than one set of license plates per vehicle, and a maximum of two sets per applicant, for their personal vehicles. If the volunteer firefighter is convicted of a violation of RCW 46.61.502 or a felony, the license plates must be surrendered upon conviction.

Sec. 6. RCW 46.68.430 and 2010 c 161 s 811 are each amended to read as follows:

(1) The department shall:

(a) Collect special license fees established under RCW 46.17.220(~~(1)(c) and (e)~~) (6);

(b) Deduct an amount not to exceed twelve dollars for initial issue and two dollars for renewal issue for administration and collection expenses incurred by it; and

(c) Remit the remaining proceeds to the custody of the state treasurer with a proper identifying detailed report.

(2) The state treasurer shall credit the remaining special license plate fees to the following accounts by special license plate type:

SPECIAL LICENSE PLATE TYPE	ACCOUNT	PURPOSE
(Baseball stadium	A county	To pay the principal and interest payments on bonds issued by the county to construct a baseball stadium, as defined in RCW 82.14.0485, including reasonably necessary preconstruction costs, while the taxes are being collected under RCW

to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Braun: “Thank you Mr. President. So, I would like to just take a moment Mr. President, to recognize a great Washington General from my district who passed away last week, if I may?”

President Habib: “Please.”

Senator Braun: “Several folks in this chamber may know Cy Meyers, he’s a well known certainly in republican circles, but well known much beyond those circles for the work he did for his community and for the state. And if I may, I am just going to give you a little background. Because I think his life provides, is an inspirational story for all of us and one that we could surely use as an example in these days. So, Cy Meyers was born in Hood River, Oregon actually I guess Parkdale, Oregon, but he grew up in Hood River, Oregon and graduated from Hood River High School back in 1943. He had actually been drafted by the U.S. Army and got a deferment to finish high school. Interesting story, he was signed into the army as an enlisted member and negotiated to get discharged from the army and the same day signed up with the navy in the same day get transferred to the marine corps in the same day because he really wanted to be in the marine corps because his father was in the marine corps. So this was 1943, the country was at war, and just to back up a little bit, prior to that, and I passed out an article, and I think that you’ll find interesting reading. It was actually published back, initially back in 2009 when his wife passed away, and it is great story about Cy, but he in high school naturally during Pearl Harbor. He tells about some of his Japanese American friends being processed for interment and the sadness that caused. It really was a sad day for the nation frankly and we had some discussion about that earlier in the session. But to get back to my story, joined the marine corps, fought in Iwo Jima, was part of a tank battalion in Iwo Jima, went on to serve in the occupation of Japan, the war ended he left the marine corps. Actually joined the reserves, came home met his soon to be wife in Hood River, went to work driving a fruit truck, did that and selling fruit for about ten years, during which time he got pulled back into the marine corps as part of the conflict in Korea, finished that, came home and just went back to work like many Americans in that era did. Doing just a blue collar worker, getting the job done, taking care of his family. In, I think it was around 1960, he moved to the Winlock area which is in my district Mr. President, went to work selling eggs. Now eggs at the time, Winlock was the egg capital of the world, they still have an enormous model egg in Winlock. If you’re ever passing through it is right off I-5. Great place to stop for lunch or breakfast. But Cy sold eggs for twenty years nearly, which is pretty interesting, again kind of a blue collar job, he retired from that and went to work as the custodian at the Winlock High School for ten years. And he loved it there. He loved being part of the community, being part of the school district, being close to the children, and he was a great role model for the children. He worked there all through the 80s, technically retired in the 90s although I never seen Cy technically actually look like he was retired. From there he went directly in to work in his community and he did all kinds of stuff. He worked for the Lions, with the booster club, with Little League, he served on the school board, he served as a council member, he ultimately became mayor in the early 2000s and that’s actually when I met Cy. He was the mayor and this is a gentleman at the time in his 80s, he was Mayor of Winlock. And I first met him when I was on the school, Timberland Library Board at the time and we were

down there taking a look at the Winlock Library. And the Winlock Library is a very nice library, of course I am very proud of all the Timberland Libraries, but it is nothing like what you would see like in the city of Seattle. It is a fairly modest building. But you couldn’t find a person more proud to have a library in the town of Winlock and so proud of his community, and so eager to help the folks in his community succeed. It’s just inspiring. That’s the first time I met Cy. It felt, from that day on it felt like I’d known him forever. And I seen him off an on as I said I often see him at Republican events, but for him and I just want to mention that for him, he was a very staunch Republican, but for him it was actually the sort of thing, you know, perhaps on both sides of the aisle there are times when we are not as proud of our partisan affiliations as we would like to be. But when you met Cy it made you proud. Cause he was just a good guy. He’s a great American. He’s a good friend. And he lived a great life. The type of life I think we all could be inspired by and I want to thank Governor Gregoire for ultimately nominating him to be one of our Washington Generals. It is a great program. It is great that they honor people like this. Thank you Mr. President.”

MOTION

At 3:56 p.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 4:59 p.m. by President Habib.

MESSAGES FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:

The Speaker has signed:

SUBSTITUTE SENATE BILL NO. 5064,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5084,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 5179,
 SUBSTITUTE SENATE BILL NO. 5522,
 SUBSTITUTE SENATE BILL NO. 5553,
 SENATE BILL NO. 5598,
 ENGROSSED SENATE BILL NO. 5917,
 SUBSTITUTE SENATE BILL NO. 5991,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6257,
 SUBSTITUTE SENATE BILL NO. 6273,
 SECOND SUBSTITUTE SENATE BILL NO. 6274,
 SUBSTITUTE SENATE BILL NO. 6313,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6329,
 SUBSTITUTE SENATE BILL NO. 6388,
 SENATE BILL NO. 6407,
 SUBSTITUTE SENATE BILL NO. 6419,
 SENATE BILL NO. 6471,
 SUBSTITUTE SENATE BILL NO. 6474,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6491,
 SUBSTITUTE SENATE BILL NO. 6493,
 SUBSTITUTE SENATE BILL NO. 6514,
 SUBSTITUTE SENATE BILL NO. 6560,

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

March 8, 2018

MR. PRESIDENT:

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

ENGROSSED HOUSE BILL NO. 2008,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2408,

SUBSTITUTE HOUSE BILL NO. 2448,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2580,
 ENGROSSED HOUSE BILL NO. 2750,
 SUBSTITUTE HOUSE BILL NO. 2990,
 SUBSTITUTE HOUSE BILL NO. 2998,
 and the same are herewith transmitted.
 NONA SNELL, Deputy Chief Clerk

order of business.

MOTION

Senator Liias moved adoption of the following resolution:

SENATE RESOLUTION
 8732

March 8, 2018

MR. PRESIDENT:

The Speaker has signed:

SECOND SUBSTITUTE HOUSE BILL NO. 1506,
 SECOND SUBSTITUTE HOUSE BILL NO. 1896,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL
 NO. 2009,
 HOUSE BILL NO. 2271,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL
 NO. 2334,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2406,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL
 NO. 2595,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2610,
 SUBSTITUTE HOUSE BILL NO. 2638,
 SUBSTITUTE HOUSE BILL NO. 3002,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 3003,
 HOUSE CONCURRENT RESOLUTION NO. 4415,
 and the same are herewith transmitted.
 NONA SNELL, Deputy Chief Clerk

By Senators Liias, King, Hobbs, Fain, Wellman, Billig, Darneille, Dhingra, Kuderer, Ranker, Hasegawa, Keiser, Frockt, McCoy, Rolfes, Carlyle, Chase, Palumbo, Hunt, Cleveland, Takko, Conway, Saldaña, and Pedersen

WHEREAS, Representative Judy Clibborn has dedicated her career to the good of the people; and

WHEREAS, She began her service as a Registered Head Nurse at Harborview Medical Center; and

WHEREAS, She made the correct choice to become a Husky in receiving her degrees from the University of Washington; and

WHEREAS, She previously served her Mercer Island community as the mayor, city councilmember, and the Executive Director of the Mercer Island Chamber of Commerce; and

WHEREAS, On being elected to the House of Representatives in 2003, she quickly demonstrated patience, humility, and a willingness to listen, earning the respect of colleagues in both caucuses; and

WHEREAS, Since being named Chair of the House Transportation Committee in 2007, she has connected all corners of our state, helped build bridges, both physical and metaphorical, and graciously served all residents of Washington; and

WHEREAS, Throughout her distinguished career in public service she has maintained a rich family life, married to her loving supportive husband Bruce for 52 years, raising their three children Andrea, Erica, and Chad, and spoiling their six grandchildren, Whitney, Blake, Parker, Cash, Owen, and Nora; and

WHEREAS, She also served as a foster parent, providing a safe home and loving heart for children who needed them; and

WHEREAS, She is an unabashed feminist and encourages women everywhere to serve their communities and take the lead; and

WHEREAS, Her leadership and service have benefited all residents of Washington, so much so that she has received various awards and accolades, including Legislator of the Year from both the Associated General Contractors of Washington in 2010 and the Washington State Transit Association in 2015; and

WHEREAS, It is clear that she is a person who knows what she wants, as evidenced by the fact that she always orders the same lunch of turkey sandwich on wheat, plain lays chips, and a diet coke; and

WHEREAS, Judy has demonstrated that she understands the value of being economical, dependable, committed, and resourceful by refusing to upgrade her iPhone 5; and

WHEREAS, She demonstrated her strong grasp of work-life balance by negotiating the historic 2015 transportation revenue package, in part at least from a beach in Mexico while celebrating her 70th birthday with her family;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate recognize Representative Judy Clibborn and the contributions she has made to her Mercer Island community, the state, and both chambers during her fifteen years of service to the Legislature.

SIGNED BY THE PRESIDENT

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

ENGROSSED SUBSTITUTE HOUSE BILL NO. 3003,
 SUBSTITUTE SENATE BILL NO. 5683,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6002,
 SUBSTITUTE SENATE BILL NO. 6051,
 SENATE BILL NO. 6058,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6068,
 SUBSTITUTE SENATE BILL NO. 6133,
 SENATE BILL NO. 6159,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 6160,
 SENATE BILL NO. 6163,
 SUBSTITUTE SENATE BILL NO. 6175,
 ENGROSSED SENATE BILL NO. 6211,
 SECOND SUBSTITUTE SENATE BILL NO. 6245,
 SUBSTITUTE SENATE BILL NO. 6437,
 SUBSTITUTE SENATE BILL NO. 6519,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6034,
 SUBSTITUTE SENATE BILL NO. 6055,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 6269,
 SUBSTITUTE SENATE BILL NO. 6317,
 SENATE BILL NO. 5020,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 6162,
 SUBSTITUTE SENATE BILL NO. 6334,
 SUBSTITUTE SENATE BILL NO. 6452.

MOTION

On motion of Senator Liias, the Senate advanced to the eighth

Senators Liias, King, Wellman, Fain, Hobbs, Hawkins, Pedersen, Takko, Warnick, Hunt, Bailey, Ranker, Zeiger and

Kuderer spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8732.

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

REMARKS BY THE PRESIDENT

President Habib: “The President would like to take a moment, and I have already asked her if she would like to address the Senate, but I just want to take the President’s Privilege of just saying one thing about Representative Clibborn which is that I, my first experience in the Legislature, ever coming to the legislature testifying on, in support of then Representative Carlyle’s bill on distracted driving, in the House Transportation Committee, I was in front of Judy Clibborn, and you all would be unsurprised to know that I went long and did not have a green light prompt that obviously made any difference to me, or red light. So, I kept talking and she very gently gave me the last line treatment and when I went back as Lieutenant Governor a week or two ago for one of my bills that we just passed earlier today, I was very sure to be brief in my remarks. But you know she, I came in replacing I think her best friend, or one of her best friends, Deb Eddy, and I had some concern about how she would feel about me taking her place but she was just so gracious and welcoming as all these stories today have indicated of bringing me into the eastside legislators community. And one final point I want to make, and she’ll correct me if I am wrong, but I believe Judy was the first woman to represent at least the core east side. I know there was Kathleen Drew was, Senator Drew here from the 5th, but 41st, 48th and 45th which now has an entirely female delegation, all nine legislators that touch Lake Washington on the east side there are women now but when she was first elected I believe you were the first to hold that distinction and she is just a trailblazer in so many ways. And Representative Clibborn, please know that if it weren’t sine die it wouldn’t have been one-third of the senators speaking it would be every single one of the senators speaking. But please know how much this body appreciates you, respects you and now if you would do us the great honor of taking the podium and just speaking to us from the President’s desk.”

REMARKS BY REPRESENTATIVE CLIBBORN

Representative Clibborn: So, I wasn’t prepared for this. I am overwhelmed and I am so appreciative. Here we are, the last day. We don’t have a lot of time and we are all sitting here talking about some of my favorite stories. And I wasn’t the first woman, I replaced Ida Ballasiotes, but I was the first Democrat. So, that was, yeah. But it doesn’t matter, I like everyone, and I like to work with everyone. It has been so overwhelming and I am so moved by your stories. I know each of you. I know those stories and I think about you. Some of you have been my inspiration. I have learned so much from all of you. I didn’t start out being patient and I didn’t start out being able to hear all sides. I had to learn to do that and so one thing I have been saying is as we look at how we work with each other, as we learn from each other, I hope that we continue to work together because that is what made us so able to do the things that you are all talking about. If we work together we wouldn’t have had the package and you are all my friends and I just appreciate this so much. I can’t say enough. Thank you.”

MOTION

On motion of Senator Liias, the Senate reverted to the fourth

order of business.

PERSONAL PRIVILEGE

Senator Keiser: “I’d just like to note that today is International Womens Day and this has been an international celebration since 2008, no 1908. It is a very old celebration. And I just wanted to notice that we have had a lot to celebrate in this chamber this year when it comes to women’s rights because we’ve done some really good work and passed some very good bills. And I wan to thank all of the members here, but especially I would like to thank some people who don’t usually get much attention. A lot of times in these celebrations we talk about the very famous and sometimes the very notorious women in the world, but today I would just like to read the first names of the women who work on our custodial staff and clean up after our messes. Because as you know, we make a lot of mess around here.

President Habib: “Please proceed.”

Senator Keiser: “Thank you. So I would like to thank on this International Women’s Day our custodial staff people including Shelly, Swoon, LeAnn, Mong, and yes that is her real name, Cena, Cassie, Doris #1, Doris #2, Kim, Annette, and Larissa. And the next time you see them would you please say thank you. Thank you very much.

MOTION

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

SECOND READING

ENGROSSED HOUSE BILL NO. 2444, by Representatives Slatter, Robinson, McBride, Clibborn, Appleton, Tharinger, Kloba, Doglio and Tarleton

Providing a real estate excise tax exemption for certain transfers of low-income housing.

The measure was read the second time.

MOTION

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

Strike everything after the enacting clause and insert the following:

“**Sec. 1.** RCW 82.45.010 and 2014 c 58 s 24 are each amended to read as follows:

(1) As used in this chapter, the term "sale" has its ordinary meaning and includes any conveyance, grant, assignment, quitclaim, or transfer of the ownership of or title to real property, including standing timber, or any estate or interest therein for a valuable consideration, and any contract for such conveyance, grant, assignment, quitclaim, or transfer, and any lease with an option to purchase real property, including standing timber, or any estate or interest therein or other contract under which possession of the property is given to the purchaser, or any other person at the purchaser's direction, and title to the property is retained by the vendor as security for the payment of the purchase price. The term also includes the grant, assignment, quitclaim,

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sale, or transfer of improvements constructed upon leased land.

(2)(a) The term "sale" also includes the transfer or acquisition within any twelve-month period of a controlling interest in any entity with an interest in real property located in this state for a valuable consideration.

(b) For the sole purpose of determining whether, pursuant to the exercise of an option, a controlling interest was transferred or acquired within a twelve-month period, the date that the option agreement was executed is the date on which the transfer or acquisition of the controlling interest is deemed to occur. For all other purposes under this chapter, the date upon which the option is exercised is the date of the transfer or acquisition of the controlling interest.

(c) For purposes of this subsection, all acquisitions of persons acting in concert must be aggregated for purposes of determining whether a transfer or acquisition of a controlling interest has taken place. The department must adopt standards by rule to determine when persons are acting in concert. In adopting a rule for this purpose, the department must consider the following:

(i) Persons must be treated as acting in concert when they have a relationship with each other such that one person influences or controls the actions of another through common ownership; and

(ii) When persons are not commonly owned or controlled, they must be treated as acting in concert only when the unity with which the purchasers have negotiated and will consummate the transfer of ownership interests supports a finding that they are acting as a single entity. If the acquisitions are completely independent, with each purchaser buying without regard to the identity of the other purchasers, then the acquisitions are considered separate acquisitions.

(3) The term "sale" does not include:

(a) A transfer by gift, devise, or inheritance.

(b) A transfer by transfer on death deed, to the extent that it is not in satisfaction of a contractual obligation of the decedent owed to the recipient of the property.

(c) A transfer of any leasehold interest other than of the type mentioned above.

(d) A cancellation or forfeiture of a vendee's interest in a contract for the sale of real property, whether or not such contract contains a forfeiture clause, or deed in lieu of foreclosure of a mortgage.

(e) The partition of property by tenants in common by agreement or as the result of a court decree.

(f) The assignment of property or interest in property from one spouse or one domestic partner to the other spouse or other domestic partner in accordance with the terms of a decree of dissolution of marriage or state registered domestic partnership or in fulfillment of a property settlement agreement.

(g) The assignment or other transfer of a vendor's interest in a contract for the sale of real property, even though accompanied by a conveyance of the vendor's interest in the real property involved.

(h) Transfers by appropriation or decree in condemnation proceedings brought by the United States, the state or any political subdivision thereof, or a municipal corporation.

(i) A mortgage or other transfer of an interest in real property merely to secure a debt, or the assignment thereof.

(j) Any transfer or conveyance made pursuant to a deed of trust or an order of sale by the court in any mortgage, deed of trust, or lien foreclosure proceeding or upon execution of a judgment, or deed in lieu of foreclosure to satisfy a mortgage or deed of trust.

(k) A conveyance to the federal housing administration or veterans administration by an authorized mortgagee made pursuant to a contract of insurance or guaranty with the federal housing administration or veterans administration.

(l) A transfer in compliance with the terms of any lease or contract upon which the tax as imposed by this chapter has been paid or where the lease or contract was entered into prior to the date this tax was first imposed.

(m) The sale of any grave or lot in an established cemetery.

(n) A sale by the United States, this state or any political subdivision thereof, or a municipal corporation of this state.

(o) A sale to a regional transit authority or public corporation under RCW 81.112.320 under a sale/leaseback agreement under RCW 81.112.300.

(p) A transfer of real property, however effected, if it consists of a mere change in identity or form of ownership of an entity where there is no change in the beneficial ownership. These include transfers to a corporation or partnership which is wholly owned by the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner. However, if thereafter such transferee corporation or partnership voluntarily transfers such real property, or such transferor, spouse or domestic partner, or children of the transferor or the transferor's spouse or domestic partner voluntarily transfer stock in the transferee corporation or interest in the transferee partnership capital, as the case may be, to other than (i) the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner, (ii) a trust having the transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner as the only beneficiaries at the time of the transfer to the trust, or (iii) a corporation or partnership wholly owned by the original transferor and/or the transferor's spouse or domestic partner or children of the transferor or the transferor's spouse or domestic partner, within three years of the original transfer to which this exemption applies, and the tax on the subsequent transfer has not been paid within sixty days of becoming due, excise taxes become due and payable on the original transfer as otherwise provided by law.

(q)(i) A transfer that for federal income tax purposes does not involve the recognition of gain or loss for entity formation, liquidation or dissolution, and reorganization, including but not limited to nonrecognition of gain or loss because of application of 26 U.S.C. Sec. 332, 337, 351, 368(a)(1), 721, or 731 of the internal revenue code of 1986, as amended.

(ii) However, the transfer described in (q)(i) of this subsection cannot be preceded or followed within a twelve-month period by another transfer or series of transfers, that, when combined with the otherwise exempt transfer or transfers described in (q)(i) of this subsection, results in the transfer of a controlling interest in the entity for valuable consideration, and in which one or more persons previously holding a controlling interest in the entity receive cash or property in exchange for any interest the person or persons acting in concert hold in the entity. This subsection (3)(q)(ii) does not apply to that part of the transfer involving property received that is the real property interest that the person or persons originally contributed to the entity or when one or more persons who did not contribute real property or belong to the entity at a time when real property was purchased receive cash or personal property in exchange for that person or persons' interest in the entity. The real estate excise tax under this subsection (3)(q)(ii) is imposed upon the person or persons who previously held a controlling interest in the entity.

(r) A qualified sale of a manufactured/mobile home community, as defined in RCW 59.20.030, that takes place on or after June 12, 2008, but before December 31, 2018.

(s)(i) A transfer of a qualified low-income housing development or controlling interest in a qualified low-income

housing development, unless, due to noncompliance with federal statutory requirements, the seller is subject to recapture, in whole or in part, of its allocated federal low-income housing tax credits within the four years prior to the date of transfer.

(ii) For purposes of this subsection (3)(s), "qualified low-income housing development" means real property and improvements in respect to which the seller or, in the case of a transfer of a controlling interest, the owner or beneficial owner, was allocated federal low-income housing tax credits authorized under 26 U.S.C. Sec. 42 or successor statute, by the Washington state housing finance commission or successor state-authorized tax credit allocating agency.

NEW SECTION. Sec. 2. This act applies with respect to transfers occurring before, on, or after the effective date of this section. However, this act may not be construed by the department of revenue, state board of tax appeals, or any court as authorizing the refund of any tax liability imposed or authorized under chapter 82.45 or 82.46 RCW and properly paid before the effective date of section 1 of this act with respect to a transfer of qualified low-income housing as defined in RCW 82.45.010(3)(s).

NEW SECTION. Sec. 3. This act takes effect July 1, 2018." On page 1, line 2 of the title, after "housing;" strike the remainder of the title and insert "amending RCW 82.45.010; creating a new section; and providing an effective date."

MOTION

Senator Liias moved that the following floor amendment no. 952 by Senator Carlyle be adopted:

On page 5, after line 4 of the amendment, insert the following:
"(iii) This subsection (3)(s) does not apply to transfers of a qualified low-income housing development or controlling interest in a qualified low-income housing development occurring on or after July 1, 2035.

(iv) The Washington state housing finance commission, in consultation with the department, must gather data on: (A) The fiscal savings, if any, accruing to transferees as a result of the exemption provided in this subsection (3)(s); (B) the extent to which transferors of qualified low-income housing developments receive consideration, including any assumption of debt, as part of a transfer subject to the exemption provided in this subsection (3)(s); and (C) the continued use of the property for low-income housing. The Washington state housing finance commission must provide this information to the joint legislative audit and review committee. The committee must conduct a review of the tax preference created under this subsection (3)(s) in calendar year 2033, as required under chapter 43.136 RCW."

Senators Liias and Fain spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 952 by Senator Carlyle on page 5, after line 4 to the committee striking amendment.

The motion by Senator Liias carried and floor amendment no. 952 was adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means as amended to Engrossed House Bill No. 2444.

The motion by Senator Frockt carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

On motion of Senator Frockt, the rules were suspended, Engrossed House Bill No. 2444 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Frockt spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 2444 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 2444 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting nay: Senator Hasegawa

ENGROSSED HOUSE BILL NO. 2444, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

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

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Hunt moved that Monica Alexander, Senate gubernatorial appointment No. 9336, be confirmed as a member of the The Evergreen State College Board of Trustees.

Senators Hunt and Padden spoke in favor of the motion.

APPOINTMENT OF MONICA ALEXANDER

The President declared the question before the Senate to be the confirmation of Monica Alexander, Senate gubernatorial appointment No. 9336, as a member of the The Evergreen State College Board of Trustees.

The Secretary called the roll on the confirmation of Monica Alexander, Senate gubernatorial appointment No. 9336, as a member of the The Evergreen State College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon,

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Monica Alexander, Senate Gubernatorial Appointment No. 9336, having received the constitutional majority was declared confirmed as a member of the The Evergreen State College Board of Trustees.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Rolfes moved that Deborah Jensen, Senate Gubernatorial Appointment No. 9185, be confirmed as a member of the Puget Sound Partnership Leadership Council.

Senator Rolfes spoke in favor of the motion.

APPOINTMENT OF DEBORAH JENSEN

The President declared the question before the Senate to be the confirmation of Deborah Jensen, Senate Gubernatorial Appointment No. 9185, as a member of the Puget Sound Partnership Leadership Council.

The Secretary called the roll on the confirmation of Deborah Jensen, Senate Gubernatorial Appointment No. 9185, as a member of the Puget Sound Partnership Leadership Council and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 1; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Warnick, Wellman, Wilson and Zeiger

Absent: Senator Walsh

Deborah Jensen, Senate Gubernatorial Appointment No. 9185, having received the constitutional majority was declared confirmed as a member of the Puget Sound Partnership Leadership Council.

THIRD READING

SENATE INITIATIVE NO. 940

Law enforcement

The bill was read on Third Reading.

Senators Pedersen, Hasegawa, Frockt, Dhingra and Hobbs spoke in favor of passage of the bill.

Senators Padden, Honeyford, O'Ban, Baumgartner, Ericksen, Fortunato and Wagoner spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Senate Initiative No. 940.

ROLL CALL

The Secretary called the roll on the final passage of Senate Initiative No. 940 and the passed the Senate by the following vote: Yeas, 25; Nays, 24; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

Voting nay: Senators Angel, Bailey, Baumgartner, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

SENATE INITIATIVE NO. 940, 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 Liias, the Senate reverted to the fourth order of business.

MESSAGES FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:

The House has passed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 6614, and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

March 8, 2018

MR. PRESIDENT:

The House passed ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6362 with the following amendment(s): 6362-S2.E AMH ENGR H5190.E

Strike everything after the enacting clause and insert the following:

"PART I: PROGRAM FUNDING

Sec. 101. RCW 28A.150.260 and 2017 3rd sp.s. c 13 s 402 are each amended to read as follows:

The purpose of this section is to provide for the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education under RCW 28A.150.220. The allocation shall be determined as follows:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula for the distribution of a basic education instructional allocation for each common school district.

(2)(a) The distribution formula under this section shall be for allocation purposes only. Except as may be required under subsections (4)(b) and (c) and (9) of this section, chapter 28A.155, 28A.165, 28A.180, or 28A.185 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular instructional approach or service. Nothing in this section requires school districts to maintain a particular classroom teacher-to-student ratio or other staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section entitles an individual teacher to a particular teacher planning period.

(b) To promote transparency in state funding allocations, the superintendent of public instruction must report state per-pupil allocations for each school district for the general apportionment,

special education, learning assistance, transitional bilingual, highly capable, and career and technical education programs. The superintendent must also report state general apportionment per-pupil allocations by grade for each school district. The superintendent must report this information in a user-friendly format on the main page of the office's web site and on school district apportionment reports. School districts must include a link to the superintendent's per-pupil allocations report on the main page of the school district's web site. In addition, the budget documents published by the legislature for the enacted omnibus operating appropriations act must report statewide average per-pupil allocations for general apportionment and the categorical programs listed in this subsection.

(3)(a) To the extent the technical details of the formula have been adopted by the legislature and except when specifically provided as a school district allocation, the distribution formula for the basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to support instruction and operations in prototypical schools serving high, middle, and elementary school students as provided in this section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be operated or structured in a similar fashion as the prototypes. Prototypical schools illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and various categories of school staff. It is the intent that the funding allocations to school districts be adjusted from the school prototypes based on the actual number of annual average full-time equivalent students in each grade level at each school in the district and not based on the grade-level configuration of the school to the extent that data is available. The allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors identified in the omnibus appropriations act.

(b) For the purposes of this section, prototypical schools are defined as follows:

(i) A prototypical high school has six hundred average annual full-time equivalent students in grades nine through twelve;

(ii) A prototypical middle school has four hundred thirty-two average annual full-time equivalent students in grades seven and eight; and

(iii) A prototypical elementary school has four hundred average annual full-time equivalent students in grades kindergarten through six.

(4)(a)(i) The minimum allocation for each level of prototypical school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours under RCW 28A.150.220 and provide at least one teacher planning period per school day, and based on the following general education average class size of full-time equivalent students per teacher:

General education average class size	
Grades K-3.....	17.00
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

(ii) The minimum class size allocation for each prototypical high school shall also provide for enhanced funding for class size reduction for two laboratory science classes within grades nine through twelve per full-time equivalent high school student

multiplied by a laboratory science course factor of 0.0833, based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours in RCW 28A.150.220, and providing at least one teacher planning period per school day:

Laboratory science average class size	
Grades 9-12	19.98

(b)(i) Beginning September 1, ((2018)) 2019, funding for average K-3 class sizes in this subsection (4) may be provided only to the extent of, and proportionate to, the school district's demonstrated actual class size in grades K-3, up to the funded class sizes.

(ii) The office of the superintendent of public instruction shall develop rules to implement this subsection (4)(b).

(c)(i) The minimum allocation for each prototypical middle and high school shall also provide for full-time equivalent classroom teachers based on the following number of full-time equivalent students per teacher in career and technical education:

Career and technical education average class size	
Approved career and technical education offered at the middle school and high school level.....	23.00
Skill center programs meeting the standards established by the office of the superintendent of public instruction.....	20.00

(ii) Funding allocated under this subsection (4)(c) is subject to RCW 28A.150.265.

(d) In addition, the omnibus appropriations act shall at a minimum specify:

(i) A high-poverty average class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals; and

(ii) A specialty average class size for advanced placement and international baccalaureate courses.

(5) The minimum allocation for each level of prototypical school shall include allocations for the following types of staff in addition to classroom teachers:

	Elementary School	Middle School	High School
Principals, assistant principals, and other certificated building-level administrators	1.25	1.353	1.0880
Teacher-librarians, a function that includes information literacy, technology, and media to support school library media programs	0.66	0.519	0.0523
Health and social services:			
School nurses	0.07	0.060	0.096
Social workers	0.04	0.006	0.015
Psychologists	0.01	0.002	0.007
Guidance counselors, a function that includes parent outreach and graduation	0.49	1.	2

advising.....	3	216	.53	
			9	
Teaching assistance, including any aspect of educational instructional services provided by classified employees.....	0.93	0.	0	
Office support and other noninstructional aides.....	6	700	.65	2
	2.01	2.	3	
	2	325	.26	9
Custodians.....	1.65	1.	2	
	7	942	.96	5
Classified staff providing student and staff safety.....	0.07	0.	0	
	9	092	.14	1
Parent involvement coordinators.....	0.08	0.	0	
	25	00	.00	

(6)(a) The minimum staffing allocation for each school district to provide district-wide support services shall be allocated per one thousand annual average full-time equivalent students in grades K-12 as follows:

Staff per 1,000 K-12 students	
Technology.....	0.628
Facilities, maintenance, and grounds.....	1.813
Warehouse, laborers, and mechanics.....	0.332

(b) The minimum allocation of staff units for each school district to support certificated and classified staffing of central administration shall be 5.30 percent of the staff units generated under subsections (4)(a) and (5) of this section and (a) of this subsection.

(7) The distribution formula shall include staffing allocations to school districts for career and technical education and skill center administrative and other school-level certificated staff, as specified in the omnibus appropriations act.

(8)(a) Except as provided in (b) of this subsection, the minimum allocation for each school district shall include allocations per annual average full-time equivalent student for the following materials, supplies, and operating costs as provided in the 2017-18 school year, after which the allocations shall be adjusted annually for inflation as specified in the omnibus appropriations act:

Per annual average full-time equivalent student in grades K-12	
Technology.....	\$130.76
Utilities and insurance.....	\$355.30
Curriculum and textbooks.....	\$140.39
Other supplies ((and library materials)).. ((\$298.05))	<u>\$278.05</u>
Library materials.....	<u>\$20.00</u>
Instructional professional development for certificated and classified staff.....	\$21.71
Facilities maintenance.....	\$176.01
Security and central office administration.....	\$121.94

(b) In addition to the amounts provided in (a) of this subsection, beginning in the 2014-15 school year, the omnibus appropriations act shall provide the following minimum allocation for each annual average full-time equivalent student in grades nine through twelve for the following materials, supplies, and operating costs, to be adjusted annually for inflation:

Per annual average full-time equivalent student	
---	--

in grades 9-12	
Technology.....	\$36.35
Curriculum and textbooks.....	\$39.02
Other supplies ((and library materials))..... ((\$82.84))	<u>\$77.28</u>
Library materials.....	<u>\$5.56</u>
Instructional professional development for certificated and classified staff.....	\$6.04

(9) In addition to the amounts provided in subsection (8) of this section and subject to RCW 28A.150.265, the omnibus appropriations act shall provide an amount based on full-time equivalent student enrollment in each of the following:

(a) Exploratory career and technical education courses for students in grades seven through twelve;

(b) Preparatory career and technical education courses for students in grades nine through twelve offered in a high school; and

(c) Preparatory career and technical education courses for students in grades eleven and twelve offered through a skill center.

(10) In addition to the allocations otherwise provided under this section, amounts shall be provided to support the following programs and services:

(a)(i) To provide supplemental instruction and services for students who are not meeting academic standards through the learning assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the district percentage of students in grades K-12 who were eligible for free or reduced-price meals in the prior school year. The minimum allocation for the program shall provide for each level of prototypical school resources to provide, on a statewide average, 2.3975 hours per week in extra instruction with a class size of fifteen learning assistance program students per teacher.

(ii) In addition to funding allocated under (a)(i) of this subsection, to provide supplemental instruction and services for students who are not meeting academic standards in ((schools where at least fifty percent of students are eligible for free and reduced-price meals)) qualifying schools. A qualifying school means a school in which the three-year rolling average of the prior year total annual average enrollment that qualifies for free or reduced-price meals equals or exceeds fifty percent or more of its total annual average enrollment. The minimum allocation for this additional high poverty-based allocation must provide for each level of prototypical school resources to provide, on a statewide average, 1.1 hours per week in extra instruction with a class size of fifteen learning assistance program students per teacher, under RCW 28A.165.055, school districts must distribute the high poverty-based allocation to the schools that generated the funding allocation.

(b)(i) To provide supplemental instruction and services for students whose primary language is other than English, allocations shall be based on the head count number of students in each school who are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080. The minimum allocation for each level of prototypical school shall provide resources to provide, on a statewide average, 4.7780 hours per week in extra instruction for students in grades kindergarten through six and 6.7780 hours per week in extra instruction for students in grades seven through twelve, with fifteen transitional bilingual instruction program students per teacher. Notwithstanding other provisions of this subsection (10), the actual per-student allocation may be scaled to provide a larger allocation for students needing more intensive intervention and a commensurate reduced allocation for students needing less intensive intervention, as detailed in the omnibus appropriations act.

(ii) To provide supplemental instruction and services for students who have exited the transitional bilingual program, allocations shall be based on the head count number of students in each school who have exited the transitional bilingual program within the previous two years based on their performance on the English proficiency assessment and are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.040(1)(g). The minimum allocation for each prototypical school shall provide resources to provide, on a statewide average, 3.0 hours per week in extra instruction with fifteen exited students per teacher.

(c) To provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, allocations shall be based on 5.0 percent of each school district's full-time equivalent basic education enrollment. The minimum allocation for the programs shall provide resources to provide, on a statewide average, 2.1590 hours per week in extra instruction with fifteen highly capable program students per teacher.

(11) The allocations under subsections (4)(a), (5), (6), and (8) of this section shall be enhanced as provided under RCW 28A.150.390 on an excess cost basis to provide supplemental instructional resources for students with disabilities.

(12)(a) For the purposes of allocations for prototypical high schools and middle schools under subsections (4) and (10) of this section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

(b) Allocations or enhancements provided under subsections (4), (7), and (9) of this section for exploratory and preparatory career and technical education courses shall be provided only for courses approved by the office of the superintendent of public instruction under chapter 28A.700 RCW.

(13)(a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature.

(b) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect.

(c) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the first school day of each month, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. The definition of full-time equivalent student shall be determined by rules of the superintendent of public instruction and shall be included as part of the superintendent's biennial budget request. The definition shall be based on the minimum instructional hour offerings required under RCW 28A.150.220. Any revision of the present definition shall not take effect until approved by the house ways and means committee and the senate ways and means committee.

(d) The office of financial management shall make a monthly review of the superintendent's reported full-time equivalent students in the common schools in conjunction with RCW 43.62.050.

Sec. 102. RCW 28A.150.390 and 2017 3rd sp.s. c 13 s 406 are each amended to read as follows:

(1) The superintendent of public instruction shall submit to each regular session of the legislature during an odd-numbered

year a programmed budget request for special education programs for students with disabilities. Funding for programs operated by local school districts shall be on an excess cost basis from appropriations provided by the legislature for special education programs for students with disabilities and shall take account of state funds accruing through RCW 28A.150.260 (4)(a), (5), (6), and (8) and 28A.150.415.

(2) The excess cost allocation to school districts shall be based on the following:

(a) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten who are eligible for and enrolled in special education, multiplied by the district's base allocation per full-time equivalent student, multiplied by 1.15; and

(b) A district's annual average full-time equivalent basic education enrollment, multiplied by the district's funded enrollment percent, multiplied by the district's base allocation per full-time equivalent student, multiplied by ~~((0.9309))~~ 0.9609.

(3) As used in this section:

(a) "Base allocation" means the total state allocation to all schools in the district generated by the distribution formula under RCW 28A.150.260 (4)(a), (5), (6), and (8) and 28A.150.415, to be divided by the district's full-time equivalent enrollment.

(b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.

(c) "Enrollment percent" means the district's resident special education annual average enrollment, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

(d) "Funded enrollment percent" means the lesser of the district's actual enrollment percent or thirteen and five-tenths percent.

NEW SECTION. Sec. 103. A new section is added to chapter 28A.160 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, a transportation alternate funding grant program is created.

(2) As part of the award process for the grants, the superintendent of public instruction must include a review of the school district's efficiency rating, key performance indicators, and local school district characteristics such as unique geographic constraints, low enrollment, geographic density of students, the percentage of students served under the McKinney-Vento homeless assistance act from outside the district, or whether the district is a nonhigh district.

Sec. 104. RCW 28A.165.055 and 2017 3rd sp.s. c 13 s 405 are each amended to read as follows:

(1) The funds for the learning assistance program shall be appropriated in accordance with RCW 28A.150.260 and the omnibus appropriations act. The distribution formula is for school district allocation purposes only, except as provided in RCW 28A.150.260(10)(a)(ii), but all funds appropriated for the learning assistance program must be expended for the purposes of RCW 28A.165.005 through 28A.165.065.

(2) A district's high poverty-based allocation is generated by its qualifying schools ~~((buildings))~~ as defined in RCW 28A.150.260(10) and must be expended by the district for those ~~((buildings))~~ schools. This funding must supplement and not supplant the district's expenditures under this chapter for those

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schools ~~((buildings))~~.

NEW SECTION. Sec. 105. A new section is added to chapter 28A.300 RCW to read as follows:

(1) The superintendent of public instruction must require school districts to have identification procedures for their highly capable programs that are clearly stated and implemented by school districts using the following criteria:

(a) Districts must use multiple objective criteria to identify students who are among the most highly capable. Multiple pathways for qualifications must be available and no single criterion may disqualify a student from identification;

(b) Highly capable selection decisions must be based on consideration of criteria benchmarked on local norms, but local norms may not be used as a more restrictive criteria than national norms at the same percentile;

(c) Subjective measures such as teacher recommendations or report card grades may not be used to screen out a student from assessment. These data points may be used alongside other criteria during selection to support identification, but may not be used to disqualify a student from being identified; and

(d) To the extent practicable, screening and assessments must be given in the native language of the student. If native language screening and assessments are not available, a nonverbal screening and assessment must be used.

(2) The superintendent of public instruction must disseminate guidance on referral, screening, assessment, selection, and placement best practices for highly capable programs. The guidance must be regularly updated and aligned with evidence-based practices.

Sec. 106. RCW 28A.150.392 and 2017 3rd sp.s. c 13 s 407 are each amended to read as follows:

(1)(a) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390.

(b) If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need.

(2) Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall award additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas.

(b) In the determination of need, the committee shall consider additional available revenues from federal sources.

(c) Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(d) In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state revenues related to services for special education-eligible students and all federal revenues from federal impact aid, medicaid, and the individuals with disabilities education act-Part B and appropriate special projects. Awards associated with (e) and (f) of this subsection shall not exceed the total of a district's specific determination of need.

(e) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(f) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (2)(f) shall be adjusted to reflect amounts awarded under (e) of this subsection.

(g) The committee shall then consider the extraordinary high cost needs of one or more individual special education students served in residential schools as defined in RCW 28A.190.020, programs for juveniles under the department of corrections, and programs for juveniles operated by city and county jails to the extent they are providing a program of education for students enrolled in special education.

(h) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

~~((H))~~ (i) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

~~((I))~~ (j) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(3) The superintendent of public instruction shall adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. By ~~((September 1, 2019))~~ December 1, 2018, the superintendent shall review and revise the rules to achieve full and complete implementation of the requirements of this subsection and subsection (4) of this section including revisions to rules that provide additional flexibility to access community impact awards. Before revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

(4) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.

(5) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

PART II: COMPENSATION

NEW SECTION. Sec. 201. The legislature recognizes that

Initiative Measure No. 1433 was approved by the voters of the state of Washington in 2016 requiring employers to provide paid sick leave to each of its employees. The legislature acknowledges that the enactment of this initiative contributes to the costs of operations of the state's public schools and intends to provide funding in the omnibus appropriations act to support school districts with these additional costs.

Sec. 202. RCW 28A.150.410 and 2017 3rd sp.s. c 13 s 101 are each amended to read as follows:

(1) Through the 2017-18 school year, the legislature shall establish for each school year in the appropriations act a statewide salary allocation schedule, for allocation purposes only, to be used to distribute funds for basic education certificated instructional staff salaries under RCW 28A.150.260. For the purposes of this section, the staff allocations for classroom teachers, teacher-librarians, guidance counselors, and student health services staff under RCW 28A.150.260 are considered allocations for certificated instructional staff.

(2) Through the 2017-18 school year, salary allocations for state-funded basic education certificated instructional staff shall be calculated by the superintendent of public instruction by determining the district's average salary for certificated instructional staff, using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act.

(3) Through the 2017-18 school year, no more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in the omnibus appropriations act, or any replacement schedules and documents, unless:

(a) The employee has a master's degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(4) Beginning in the 2007-08 school year and through the 2017-18 school year, the calculation of years of service for occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, and psychologists regulated under Title 18 RCW may include experience in schools and other nonschool positions as occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, or psychologists. The calculation shall be that one year of service in a nonschool position counts as one year of service for purposes of this chapter, up to a limit of two years of nonschool service. Nonschool years of service included in calculations under this subsection shall not be applied to service credit totals for purposes of any retirement benefit under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement system benefits.

(5) By the ~~((2019-20))~~ 2018-19 school year, the minimum state allocation for salaries for certificated instructional staff in the basic education program must be increased ~~((beginning in the 2018-19 school year))~~ to provide a statewide average allocation of sixty-four thousand dollars adjusted for inflation from the 2017-18 school year.

(6) By the ~~((2019-20))~~ 2018-19 school year, the minimum state allocation for salaries for certificated administrative staff in the basic education program must be increased ~~((beginning in the 2018-19 school year))~~ to provide a statewide average allocation of ninety-five thousand dollars adjusted for inflation from the 2017-18 school year.

(7) By the ~~((2019-20))~~ 2018-19 school year, the minimum state allocation for salaries for classified staff in the basic education program must be increased ~~((beginning in the 2018-19 school year))~~ to provide a statewide average allocation of forty-five

thousand nine hundred twelve dollars adjusted by inflation from the 2017-18 school year.

~~((To implement the new minimum salary allocations in subsections (5) through (7) of this section, the legislature must fund fifty percent of the increased salary allocation in the 2018-19 school year and the entire increased salary allocation in the 2019-20 school year.))~~ For school year 2018-19, a district's minimum state allocation for salaries is the greater of the district's 2017-18 state salary allocation, adjusted for inflation, or the district's allocation based on the state salary level specified in subsections (5) through (7) of this section, and as further specified in the omnibus appropriations act.

(9) Beginning with the 2018-19 school year, state allocations for salaries for certificated instructional staff, certificated administrative staff, and classified staff must be adjusted for regional differences in the cost of hiring staff. Adjustments for regional differences must be specified in the omnibus appropriations act for each school year through at least school year 2022-23. For school years 2018-19 through school year 2022-23, the school district regionalization factors are based on the median single-family residential value of each school district and proximate school district median single-family residential value as described in RCW 28A.150.412.

(10) Beginning with the 2023-24 school year and every ~~((six))~~ four years thereafter, the minimum state salary allocations and school district regionalization factors for certificated instructional staff, certificated ~~((administration — F:\Journal\2018 Journal\Journal2018\LogDay060\administrative.doc))~~ administrative staff, and classified staff must be reviewed and rebased, as provided under RCW 28A.150.412, to ensure that state salary allocations continue to align with staffing costs for the state's program of basic education.

((11) For the purposes of this section, "inflation" has the meaning provided in RCW 28A.400.205 for "inflationary adjustment index."

Sec. 203. RCW 28A.150.412 and 2017 3rd sp.s. c 13 s 104 are each amended to read as follows:

(1) Beginning with the 2023 regular legislative session, and every ~~((six))~~ four years thereafter, the legislature shall review and rebase state basic education compensation allocations compared to school district compensation data, regionalization factors, what inflationary measure is the most representative of actual market experience for school districts, and other economic information. The legislature shall revise the minimum allocations ~~((and))~~, regionalization factors, and inflationary measure if necessary to ensure that state basic education allocations continue to provide market-rate salaries and that regionalization adjustments reflect actual economic differences between school districts.

(2)(a) For school districts with single-family residential values above the statewide median residential value, regionalization factors for school years 2018-19 through school year 2022-23 are as follows:

(i) For school districts in tercile 1, state salary allocations for school district employees are regionalized by six percent;

(ii) For school districts in tercile 2, state salary allocations for school district employees are regionalized by twelve percent; and

(iii) For school districts in tercile 3, state salary allocations for school district employees are regionalized by eighteen percent.

(b) In addition to the regionalization factors specified in (a) of this subsection, school districts located west of the crest of the Cascade mountains and sharing a boundary with any school district with a regionalization factor more than one tercile higher, are regionalized by six additional percentage points.

(c) In addition to the regionalization factors specified in this subsection, for school districts that have certificated instructional

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staff median years of experience that exceed the statewide average certificated instructional staff years of experience and a ratio of certificated instructional staff advanced degrees to bachelor degrees above the statewide ratio, an experience factor of four percentage points is added to the regionalization factor, beginning in the 2019-20 school year.

(d) Additional school district adjustments are identified in the omnibus appropriations act, and these adjustments are partially reduced or eliminated by the 2022-23 school year as follows:

(i) Adjustments that increase the regionalization factor to a value that is greater than the tercile 3 regionalization factor must be reduced by two percentage points each school year beginning with school year 2020-21, through 2022-23.

(ii) Adjustments that increase the regionalization factor to a value that is less than or equal to the tercile 3 regionalization factor must be reduced by one percentage point each school year beginning with school year 2020-21, through 2022-23.

(3) To aid the legislature in reviewing and rebasing regionalization factors, the department of revenue shall, by November 1, 2022, and by November 1st every ~~(six)~~ four years thereafter, determine the median single-family residential value of each school district as well as the median value of proximate districts within fifteen miles of the boundary of the school district for which the median residential value is being calculated.

(4) No district may receive less state funding for the minimum state salary allocation as compared to its prior school year salary allocation as a result of adjustments that reflect updated regionalized salaries.

(5) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Median residential value of each school district" means the median value of all single-family residential parcels included within a school district and any other school district that is proximate to the school district.

(b) "Proximate to the school district" means within fifteen miles of the boundary of the school district for which the median residential value is being calculated.

(c) "School district employees" means state-funded certificated instructional staff, certificated administrative staff, and classified staff.

(d) "School districts in tercile 1" means school districts with median single-family residential values in the first tercile of districts with single-family residential values above the statewide median residential value.

(e) "School districts in tercile 2" means school districts with median single-family residential values in the second tercile of districts with single-family residential values above the statewide median residential value.

(f) "School districts in tercile 3" means school districts with median single-family residential values in the third tercile of districts with single-family residential values above the statewide median residential value.

(g) "Statewide median residential value" means the median value of single-family residential parcels located within all school districts, reduced by five percent.

Sec. 204. RCW 28A.400.006 and 2017 3rd sp.s. c 13 s 703 are each amended to read as follows:

(1) A school district may not ~~((provide any))~~ increase average total school district expenditures for certificated administrative staff ((with a percentage increase to total salary)) for the 2018-19 school year ~~(, including supplemental contracts, that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average certificated administrative~~

~~staff salary is less than the average certificated administrative salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average certificated administrative staff salary equals the average certificated administrative staff salary allocated by the state))~~ in excess of the following:

(a) Annual salary inflationary adjustments based on the rate of the yearly increase of the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle;

(b) Annual experience and education salary step increases according to what was the prior year's practice within the school district; or

(c) School districts with an average total certificated administrative staff salary less than the statewide average certificated administrative staff salary allocation used to distribute funds for basic education as estimated by the office of the superintendent of public instruction for the 2018-19 school year may provide salary increases up to the statewide average allocation.

(2) Changes to any terms of an employment contract for nonrepresented employees must comply with the same requirements established in this section.

(3) This section expires August 31, 2019.

Sec. 205. RCW 28A.400.200 and 2017 3rd sp.s. c 13 s 103 are each amended to read as follows:

(1) Every school district board of directors shall fix, alter, allow, and order paid salaries and compensation for all district employees in conformance with this section.

(2)(a) Through the 2017-18 school year, salaries for certificated instructional staff shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a baccalaureate degree and zero years of service;

(b) Salaries for certificated instructional staff with a master's degree shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a master's degree and zero years of service; and

(c) Beginning with the ~~((2019-20))~~ 2018-19 school year:

(i) Salaries for full-time certificated instructional staff must not be less than forty thousand dollars, to be adjusted for regional differences in the cost of hiring staff as specified in RCW 28A.150.410, and to be adjusted annually by the same inflationary measure as provided in RCW 28A.400.205;

(ii) Salaries for full-time certificated instructional staff with at least five years of experience must exceed by at least ten percent the value specified in (c)(i) of this subsection;

(iii) A district may not pay full-time certificated instructional staff a salary that exceeds ninety thousand dollars, subject to adjustment for regional differences in the cost of hiring staff as specified in RCW 28A.150.410. This maximum salary is adjusted annually by the inflationary measure in RCW 28A.400.205;

(iv) These minimum and maximum salaries apply to the services provided as part of the state's statutory program of basic education and exclude supplemental contracts for additional time, responsibility, or incentive pursuant to this section or for enrichment pursuant to RCW 28A.150.276;

(v) A district may pay a salary that exceeds this maximum salary by up to ten percent for full-time certificated instructional staff: Who are educational staff associates; who teach in the subjects of science, technology, engineering, or math; or who teach in the transitional bilingual instruction or special education programs.

(3)(a)(i) Through the 2017-18 school year the actual average

salary paid to certificated instructional staff shall not exceed the district's average certificated instructional staff salary used for the state basic education allocations for that school year as determined pursuant to RCW 28A.150.410.

(ii) For the 2018-19 school year, salaries for certificated instructional staff are subject to the limitations in RCW 41.59.800.

(iii) Beginning with the 2019-20 school year, for purposes of subsection (4) of this section, RCW 28A.150.276, and 28A.505.100, each school district must annually identify the actual salary paid to each certificated instructional staff for services rendered as part of the state's program of basic education.

(b) Through the 2018-19 school year, fringe benefit contributions for certificated instructional staff shall be included as salary under (a)(i) of this subsection only to the extent that the district's actual average benefit contribution exceeds the amount of the insurance benefits allocation, less the amount remitted by districts to the health care authority for retiree subsidies, provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. For purposes of this section, fringe benefits shall not include payment for unused leave for illness or injury under RCW 28A.400.210; employer contributions for old age survivors insurance, workers' compensation, unemployment compensation, and retirement benefits under the Washington state retirement system; or employer contributions for health benefits in excess of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. A school district may not use state funds to provide employer contributions for such excess health benefits.

(c) Salary and benefits for certificated instructional staff in programs other than basic education shall be consistent with the salary and benefits paid to certificated instructional staff in the basic education program.

(4)(a) Salaries and benefits for certificated instructional staff may exceed the limitations in subsection (3) of this section only by separate contract for additional time, for additional responsibilities, or for incentives. Supplemental contracts shall not cause the state to incur any present or future funding obligation. Supplemental contracts must be accounted for by a school district when the district is developing its four-year budget plan under RCW 28A.505.040.

(b) Supplemental contracts shall be subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240, shall not exceed one year, and if not renewed shall not constitute adverse change in accordance with RCW 28A.405.300 through 28A.405.380. No district may enter into a supplemental contract under this subsection for the provision of services which are a part of the basic education program required by Article IX, section 1 of the state Constitution and RCW 28A.150.220.

(c)(i) Beginning September 1, 2019, supplemental contracts for certificated instructional staff are subject to the following additional restrictions: School districts may enter into supplemental contracts only for enrichment activities as defined in and subject to the limitations of RCW 28A.150.276. ~~((The rate the district pays under a supplemental contract may not exceed the hourly rate provided to that same instructional staff for services under the basic education salary identified pursuant to subsection (3)(a)(iii) of this section.))~~

(ii) For a supplemental contract, or portion of a supplemental contract, that is time-based, the hourly rate the district pays may not exceed the hourly rate provided to that same instructional staff for services under the basic education salary identified under subsection (3)(a)(iii) of this section. For a supplemental contract,

or portion of a supplemental contract that is not time-based, the contract must document the additional duties, responsibilities, or incentives that are being funded in the contract.

(5) Employee benefit plans offered by any district shall comply with RCW 28A.400.350, 28A.400.275, and 28A.400.280.

Sec. 206. RCW 28A.400.205 and 2017 3rd sp.s. c 13 s 102 are each amended to read as follows:

(1) School district employees shall be provided an annual salary inflationary increase in accordance with this section.

(a) The inflationary increase shall be calculated by applying the rate of the yearly increase in the inflationary adjustment index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the ~~((2020-21))~~ 2019-20 school year, each school district shall be provided an inflationary adjustment allocation sufficient to grant this inflationary increase.

(b) A school district shall distribute its inflationary adjustment allocation for salaries and salary-related benefits in accordance with the district's collective bargaining agreements and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for inflationary increases on salaries and salary-related benefits.

(c) Any funded inflationary increase shall be included in the salary base used to determine inflationary increases for school employees in subsequent years. For teachers and other certificated instructional staff, the rate of the annual inflationary increase funded for certificated instructional staff shall be applied to the base salary used with the statewide salary allocation methodology established under RCW 28A.150.410 and to any other salary allocation methodologies used to recognize school district personnel costs.

(2) For the purposes of this section, "inflationary adjustment index" means, for any school year, the implicit price deflator for that fiscal year, using the official current base, compiled by the bureau of ~~((labor statistics, United States department of labor for the state of Washington))~~ economic analysis, United States department of commerce.

Sec. 207. RCW 41.56.800 and 2017 3rd sp.s. c 13 s 701 are each amended to read as follows:

(1) A school district collective bargaining agreement for classified staff that is executed or modified after July 6, 2017, and that is in effect for the 2018-19 school year may not ~~((provide school district classified staff with a percentage))~~ increase ~~((to))~~ average total salary for the 2018-19 school year, including supplemental contracts, ((that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average classified staff salary is less than the average classified salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average classified staff salary equals the average classified staff salary allocated by the state)) in excess of the following:

(a) Annual salary inflationary adjustments based on the rate of the yearly increase of the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle;

(b) Annual experience and education salary step increases according to the salary schedule specified in the agreement;

(c) Salary changes for staffing increases due to enrollment growth or state-funded increases under RCW 28A.150.260; or

(d) School districts with an average total classified staff salary

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less than the statewide average classified salary allocation used to distribute funds for basic education as estimated by the office of the superintendent of public instruction for the 2018-19 school year may provide salary increases up to the statewide average allocation.

(2) Changes to any terms of an employment contract for nonrepresented employees must comply with the same requirements established in this section.

(3) This section expires August 31, 2019.

Sec. 208. RCW 41.59.800 and 2017 3rd sp.s. c 13 s 702 are each amended to read as follows:

(1) A school district collective bargaining agreement for certificated instructional staff that is executed or modified after July 6, 2017, and that is in effect for the 2018-19 school year may not ((provide school district certificated instructional staff with a percentage)) increase ((to)) average total salary for the 2018-19 school year, including supplemental contracts, ((that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average certificated instructional staff salary is less than the average certificated instructional staff salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average certificated instructional staff salary equals the average certificated instructional staff salary allocated by the state)) in excess of the following:

(a) Annual salary inflationary adjustments based on the rate of the yearly increase of the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle;

(b) Annual experience and education salary step increases according to the salary schedule specified in the agreement;

(c) Salary changes for staffing increases due to enrollment growth or state-funded increases under RCW 28A.150.260;

(d) Salary changes to provide professional learning under RCW 28A.415.430;

(e) Increases related to bonuses for attaining certification from the national board for professional teaching standards;

(f) School districts with an average total certificated instructional staff salary less than the statewide average certificated instructional staff salary allocation used to distribute funds for basic education as estimated by the office of the superintendent of public instruction for the 2018-19 school year may provide salary increases up to the statewide average allocation; or

(g) Salaries for new certificated instructional staff hired in the 2018-19 school year.

(2) Changes to any terms of an employment contract for nonrepresented employees must comply with the same requirements established in this section.

(3) This section expires August 31, 2019.

NEW SECTION. Sec. 209. The superintendent of public instruction shall convene a work group, that must include representatives of diverse school districts and education stakeholders to make recommendations to define the duties and responsibilities that entail a "school day" under the state's statutory program of basic education under RCW 28A.150.220 and 28A.150.260. The recommendations must consider: The professional responsibilities, time, and effort required to provide the state's statutory program of basic education that exceed the required number of instructional hours specified in RCW 28A.150.220, and duties covered by state salary allocations that

may be outside of school instructional time including, but not limited to, direct instruction required in RCW 28A.150.220; the necessary preparations, planning, and coordination for that instruction; meeting with and collaborating with parents and other teachers or other staff regarding the program of basic education; and the necessary evaluation of student learning from that instruction. The superintendent shall report the recommendations to the education policy and operating budget committees of the legislature by January 14, 2019.

PART III: LEVIES

Sec. 301. RCW 28A.150.276 and 2017 3rd sp.s. c 13 s 501 are each amended to read as follows:

(1)(a) Beginning September 1, ((2019)) 2018, school districts may use local revenues only for documented and demonstrated enrichment of the state's statutory program of basic education as authorized in subsection (2) of this section.

(b) Nothing in this section revises the definition or the state funding of the program of basic education under RCW 28A.150.220 and 28A.150.260.

(c) For purposes of this section, "local revenues" means enrichment levies collected under RCW 84.52.053, ((transportation vehicle enrichment levies,)) local effort assistance funding received under chapter 28A.500 RCW, and other school district local revenues including, but not limited to, grants, donations, and state and federal payments in lieu of taxes, except that "local revenues" does not include other federal revenues, or local revenues that operate as an offset to the district's basic education allocation under RCW 28A.150.250.

(2)(a) Enrichment activities are permitted under this section if they provide supplementation beyond the state:

(i) Minimum instructional offerings of RCW 28A.150.220 or 28A.150.260;

(ii) Staffing ratios or program components of RCW 28A.150.260, including providing additional staff for class size reduction beyond class sizes allocated in the prototypical school model and additional staff beyond the staffing ratios allocated in the prototypical school formula;

(iii) Program components of RCW 28A.150.200, 28A.150.220, or 28A.150.260; or

(iv) Program of professional learning as defined by RCW 28A.415.430 beyond that allocated pursuant to RCW 28A.150.415.

(b) Permitted enrichment activities consist of:

(i) Extracurricular activities, extended school days, or an extended school year;

(ii) Additional course offerings beyond the minimum instructional program established in the state's statutory program of basic education;

(iii) Activities associated with early learning programs;

(iv) Any additional salary costs attributable to the provision or administration of the enrichment activities allowed under this subsection; and

(v) Additional activities or enhancements that the office of the superintendent of public instruction determines to be a documented and demonstrated enrichment of the state's statutory program of basic education under (a) of this subsection and for which the superintendent approves proposed expenditures during the preballot approval process required by RCW 84.52.053 and 28A.505.240.

(3) In addition to the limitations of subsections (1) and (2) of this section and of RCW 28A.400.200, permitted enrichment activities are subject to the following conditions and limitations:

(a) If a school district spends local revenues for salary costs attributable to the administration of enrichment programs, the

portion of administrator salaries attributable to that purpose may not exceed ~~((the proportion))~~ twenty-five percent of the ~~((district's local revenues to its other revenues))~~ total district expenditures for administrator salaries; and

(b) Supplemental contracts under RCW 28A.400.200 are subject to the limitations of this section.

(4) The superintendent of public instruction must adopt rules to implement this section.

Sec. 302. RCW 28A.320.330 and 2017 3rd sp.s. c 13 s 601 are each amended to read as follows:

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1)(a) A general fund for the school district to account for all financial operations of the school district except those required to be accounted for in another fund.

(b) By the ~~((2019-20))~~ 2018-19 school year, a local revenue subfund of its general fund to account for the financial operations of a school district that are paid from local revenues. The local revenues that must be deposited in the local revenue subfund are enrichment levies and transportation vehicle ~~((enrichment))~~ levies collected under RCW 84.52.053, local effort assistance funding received under chapter 28A.500 RCW, and other school district local revenues including, but not limited to, grants, donations, and state and federal payments in lieu of taxes, but do not include other federal revenues, or local revenues that operate as an offset to the district's basic education allocation under RCW 28A.150.250. School districts must track expenditures from this subfund separately to account for the expenditure of each of these streams of revenue by source, and must provide any supplemental expenditure schedules required by the superintendent of public instruction or state auditor for purposes of RCW 43.09.2856.

(2) A capital projects fund shall be established for major capital purposes. All statutory references to a "building fund" shall mean the capital projects fund so established. Money to be deposited into the capital projects fund shall include, but not be limited to, bond proceeds, proceeds from excess levies authorized by RCW 84.52.053, state apportionment proceeds as authorized by RCW 28A.150.270, earnings from capital projects fund investments as authorized by RCW 28A.320.310 and 28A.320.320, and state forest revenues transferred pursuant to subsection (3) of this section.

Money derived from the sale of bonds, including interest earnings thereof, may only be used for those purposes described in RCW 28A.530.010, except that accrued interest paid for bonds shall be deposited in the debt service fund.

Money to be deposited into the capital projects fund shall include but not be limited to rental and lease proceeds as authorized by RCW 28A.335.060, and proceeds from the sale of real property as authorized by RCW 28A.335.130.

Money legally deposited into the capital projects fund from other sources may be used for the purposes described in RCW 28A.530.010, and for the purposes of:

(a) Major renovation and replacement of facilities and systems where periodical repairs are no longer economical or extend the useful life of the facility or system beyond its original planned useful life. Such renovation and replacement shall include, but shall not be limited to, major repairs, exterior painting of facilities, replacement and refurbishment of roofing, exterior walls, windows, heating and ventilating systems, floor covering in classrooms and public or common areas, and electrical and plumbing systems.

(b) Renovation and rehabilitation of playfields, athletic fields, and other district real property.

(c) The conduct of preliminary energy audits and energy audits of school district buildings. For the purpose of this section:

(i) "Preliminary energy audits" means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption, and major energy using systems of the building.

(ii) "Energy audit" means a survey of a building or complex which identifies the type, size, energy use level, and major energy using systems; which determines appropriate energy conservation maintenance or operating procedures and assesses any need for the acquisition and installation of energy conservation measures, including solar energy and renewable resource measures.

(iii) "Energy capital improvement" means the installation, or modification of the installation, of energy conservation measures in a building which measures are primarily intended to reduce energy consumption or allow the use of an alternative energy source.

(d) Those energy capital improvements which are identified as being cost-effective in the audits authorized by this section.

(e) Purchase or installation of additional major items of equipment and furniture: PROVIDED, That vehicles shall not be purchased with capital projects fund money.

(f)(i) Costs associated with implementing technology systems, facilities, and projects, including acquiring hardware, licensing software, and online applications and training related to the installation of the foregoing. However, the software or applications must be an integral part of the district's technology systems, facilities, or projects.

(ii) Costs associated with the application and modernization of technology systems for operations and instruction including, but not limited to, the ongoing fees for online applications, subscriptions, or software licenses, including upgrades and incidental services, and ongoing training related to the installation and integration of these products and services. However, to the extent the funds are used for the purpose under this subsection (2)(f)(ii), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations.

(g) Major equipment repair, painting of facilities, and other major preventative maintenance purposes. However, to the extent the funds are used for the purpose under this subsection (2)(g), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations. Based on the district's most recent two-year history of general fund maintenance expenditures, funds used for this purpose may not replace routine annual preventive maintenance expenditures made from the district's general fund.

(3) A debt service fund to provide for tax proceeds, other revenues, and disbursements as authorized in chapter 39.44 RCW. State forestland revenues that are deposited in a school district's debt service fund pursuant to RCW 79.64.110 and to the extent not necessary for payment of debt service on school district bonds may be transferred by the school district into the district's capital projects fund.

(4) An associated student body fund as authorized by RCW 28A.325.030.

(5) Advance refunding bond funds and refunded bond funds to provide for the proceeds and disbursements as authorized in chapter 39.53 RCW.

Sec. 303. RCW 28A.500.015 and 2017 3rd sp.s. c 13 s 206 are each amended to read as follows:

(1) Beginning in calendar year 2019 and each calendar year

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thereafter, the state must provide state local effort assistance funding to supplement school district enrichment levies as provided in this section.

(2) For an eligible school district, annual local effort assistance funding is equal to the school district's maximum local effort assistance multiplied by a fraction equal to the school district's actual enrichment levy divided by the school district's maximum allowable enrichment levy.

(3) The state local effort assistance funding provided under this section is not part of the state's program of basic education deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Eligible school district" means a school district whose maximum allowable enrichment levy divided by the school district's total student enrollment in the prior school year is less than the state local effort assistance threshold.

(b) ~~For the purpose of this section, "inflation" means ((inflation as defined in RCW 84.55.005)), for any school year, the rate of the yearly increase of the previous calendar year's annual average consumer price index for all urban consumers, Seattle area, using the official current base compiled by the bureau of labor statistics, United States department of labor.~~

(c) "Maximum allowable enrichment levy" means the maximum levy permitted by RCW 84.52.0531.

(d) "Maximum local effort assistance" means ~~((the school district's student enrollment in the prior school year multiplied by))~~ the difference ~~((of))~~ between the following:

(i) The school district's actual prior school year enrollment multiplied by the state local effort assistance threshold; and ((a))

(ii) The school district's maximum allowable enrichment levy ((divided by the school district's student enrollment in the prior school year)).

(e) "Prior school year" means the most recent school year completed prior to the year in which the state local effort assistance funding is to be distributed.

(f) "State local effort assistance threshold" means one thousand five hundred dollars per student, ~~((adjusted))~~ increased for inflation beginning in calendar year 2020.

(g) "Student enrollment" means the average annual ~~((resident))~~ full-time equivalent student enrollment.

(5) For districts in a high/nonhigh relationship, the enrollments of the nonhigh students attending the high school shall only be counted by the nonhigh school districts for purposes of funding under this section.

(6) For school districts participating in an innovation academy cooperative established under RCW 28A.340.080, enrollments of students attending the academy shall be adjusted so that each participant district receives its proportional share of student enrollments for purposes of funding under this section.

Sec. 304. RCW 28A.505.240 and 2017 3rd sp.s. c 13 s 204 are each amended to read as follows:

(1) As required by RCW 84.52.053(4), before a school district may submit an enrichment levy ~~((including a transportation vehicle enrichment levy,))~~ under RCW 84.52.053 to the voters, it must have received approval from the office of the superintendent of public instruction of an expenditure plan for the district's enrichment levy and other local revenues as defined in RCW 28A.150.276. Within thirty days after receiving the plan the office of the superintendent of public instruction must notify the school district whether the spending plan is approved. If the office of the superintendent of public instruction rejects a district's proposed spending plan, then the district may submit a revised spending plan, and the superintendent must approve or reject the revised

submission within thirty days. The office of the superintendent of public instruction may approve a spending plan only if it determines that the enrichment levy and other local revenues as defined in RCW 28A.150.276(1) will be used solely for permitted enrichment activities as provided in RCW 28A.150.276(2).

(2)(a) Except as provided in (b) of this subsection, after a school district has received voter approval for a levy for an enrichment levy under RCW 84.52.053, a school district may change its spending plan for the voter-approved levy by submitting a revised spending plan to the office of the superintendent of public instruction for review and approval. To revise a previously approved spending plan, the district must provide notice and an opportunity for review and comment at an open meeting of the school board, and the board must adopt the revised spending plan by resolution. The board must then submit the plan to the office of the superintendent of public instruction. Within thirty days after receiving the revised spending plan the office must notify the school district whether the revised spending plan is approved. The office of the superintendent of public instruction may approve a revised spending plan only if it determines that the enrichment levy and other local revenues as defined in RCW 28A.150.276(1) will be used solely for permitted enrichment activities as provided in RCW 28A.150.276(2).

(b) If the superintendent has approved expenditures for specific purposes under (a) of this subsection, a district may change the relative amounts to be spent for those respective purposes for the same levy in subsequent years without having to first receive approval for the change from the office of the superintendent of public instruction if the district adopts the change as part of its annual budget proposal after a public hearing under RCW 28A.505.060.

(3) This section applies to taxes levied for collection beginning in calendar year 2020 and thereafter.

NEW SECTION. Sec. 305. A new section is added to chapter 84.52 RCW to read as follows:

For districts in a high/nonhigh relationship, if the high school district is subject to the maximum per pupil limit under RCW 84.52.0531, the high school district's maximum levy amount must be reduced by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy.

Sec. 306. RCW 84.52.053 and 2017 3rd sp.s. c 13 s 201 are each amended to read as follows:

(1) The limitations imposed by RCW 84.52.050 through 84.52.056, and 84.52.043 shall not prevent the levy of taxes by school districts, when authorized so to do by the voters of such school district in the manner and for the purposes and number of years allowable under Article VII, section 2(a) and Article IX, section 1 of the Constitution of this state. Elections for such taxes shall be held in the year in which the levy is made or, in the case of propositions authorizing two-year through four-year levies for enrichment funding for a school district, authorizing two-year levies for transportation vehicle funds established in RCW 28A.160.130 ~~((through calendar year 2019, authorizing two-year levies for transportation vehicle enrichment beginning with calendar year 2020,))~~ or authorizing two-year through six-year levies to support the construction, modernization, or remodeling of school facilities, which includes the purposes of RCW 28A.320.330(2) (f) and (g), in the year in which the first annual levy is made.

(2)(a) Once additional tax levies have been authorized for enrichment funding for a school district for a two-year through four-year period as provided under subsection (1) of this section,

no further additional tax levies for enrichment funding for the district for that period may be authorized, except for additional levies to provide for subsequently enacted increases affecting the district's maximum levy.

(b) Notwithstanding (a) of this subsection, any school district that is required to annex or receive territory pursuant to a dissolution of a financially insolvent school district pursuant to RCW 28A.315.225 may call either a replacement or supplemental levy election within the school district, including the territory annexed or transferred, as follows:

(i) An election for a proposition authorizing two-year through four-year levies for enrichment funding for a school district may be called and held before the effective date of dissolution to replace existing enrichment levies and to provide for increases due to the dissolution.

(ii) An election for a proposition authorizing additional tax levies may be called and held before the effective date of dissolution to provide for increases due to the dissolution.

(iii) In the event a replacement levy election under (b)(i) of this subsection is held but does not pass, the affected school district may subsequently hold a supplemental levy election pursuant to (b)(ii) of this subsection if the supplemental levy election is held before the effective date of dissolution. In the event a supplemental levy election is held under (b)(ii) of this subsection but does not pass, the affected school district may subsequently hold a replacement levy election pursuant to (b)(i) of this subsection if the replacement levy election is held before the effective date of dissolution. Failure of a replacement levy or supplemental levy election does not affect any previously approved and existing enrichment levy within the affected school district or districts.

(c) For the purpose of applying the limitation of this subsection (2), a two-year through six-year levy to support the construction, modernization, or remodeling of school facilities shall not be deemed to be a tax levy for enrichment funding for a school district.

(3) A special election may be called and the time therefor fixed by the board of school directors, by giving notice thereof by publication in the manner provided by law for giving notices of general elections, at which special election the proposition authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "yes" and those opposed thereto to vote "no."

(4)(a) Beginning September 1, ~~((2019))~~ 2018, school districts may use enrichment levies ~~((and transportation vehicle enrichment levies))~~ solely to enrich the state's statutory program of basic education as authorized under RCW 28A.150.276.

(b) Beginning with propositions for enrichment levies ~~((and transportation vehicle enrichment levies))~~ for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan from the superintendent of public instruction under RCW 28A.505.240 before submission of the proposition to the voters.

Sec. 307. RCW 84.52.0531 and 2017 3rd sp.s. c 13 s 203 are each amended to read as follows:

(1) Beginning with taxes levied for collection in 2019, the maximum dollar amount which may be levied by or for any school district for enrichment levies under RCW 84.52.053 is equal to the lesser of one dollar and fifty cents per thousand dollars of the assessed value of property in the school district or the maximum per-pupil limit.

(2) The definitions in this subsection apply to this section unless the context clearly requires otherwise.

(a) For the purpose of this section, "inflation" means ((inflation as defined in RCW 84.55.005)), for any school year, the rate of

the yearly increase of the previous calendar year's annual average consumer price index for all urban consumers, Seattle area, using the official current base compiled by the bureau of labor statistics, United States department of labor.

(b) "Maximum per-pupil limit" means two thousand five hundred dollars, multiplied by the number of average annual ~~((resident))~~ full-time equivalent students enrolled in the school district in the prior school year. Beginning with property taxes levied for collection in 2020, the maximum per-pupil limit shall be increased by inflation.

(c) "Prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.

(3) For districts in a high/nonhigh relationship, the enrollments of the nonhigh students attending the high school shall only be counted by the nonhigh school districts for purposes of funding under this section.

(4) For school districts participating in an innovation academy cooperative established under RCW 28A.340.080, enrollments of students attending the academy shall be adjusted so that each participant district receives its proportional share of student enrollments for purposes of funding under this section.

(5) Beginning with propositions for enrichment levies for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan under RCW 28A.505.240 before submission of the proposition to the voters.

~~((4))~~ (6) The superintendent of public instruction shall develop rules and regulations and inform school districts of the pertinent data necessary to carry out the provisions of this section.

~~((5))~~ (7) Beginning with taxes levied for collection in ((2020)) 2018, enrichment levy revenues must be deposited in a separate subfund of the school district's general fund pursuant to RCW 28A.320.330, and for the 2018-19 school year are subject to the restrictions of RCW 28A.150.276 and the audit requirements of RCW 43.09.2856.

~~((6))~~ (8) Funds collected from ((transportation vehicle enrichment levies shall not be subject to the levy limitations in)) levies for transportation vehicles, construction, modernization, or remodeling of school facilities as established in RCW 84.52.053 are not subject to the levy limitations in subsections (1) through (5) of this section.

PART IV: OTHER POLICIES

NEW SECTION. Sec. 401. (1) For the 2018-19 and 2019-20 school years, the office of the superintendent of public instruction shall allocate a hold-harmless payment to school districts if the sum of (b) of this subsection is greater than the sum of (a) of this subsection for either of the respective school years or if a school district meets the criteria under subsection (2) of this section.

(a) The current school year is calculated as the sum of (a)(i) through (iii) of this subsection using the enrollments and values in effect for that school year for the school district's:

(i) Formula-driven state allocations in part V of the state omnibus appropriations act for these programs: General apportionment, employee compensation adjustments, pupil transportation, special education programs, institutional education programs, transitional bilingual programs, highly capable, and learning assistance programs;

(ii) Local effort assistance funding received under chapter 28A.500 RCW; and

(iii) The lesser of the school district's voter-approved enrichment levy collection or the maximum levy authority provided under RCW 84.52.0531 for the previous calendar year.

(b) The baseline school year is calculated as the sum of (b)(i)

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through (iii) of this subsection using the current school year enrollments and the values in effect during the 2017-18 school year for the school district's:

(i) Formula-driven state allocations in part V of the state omnibus appropriations act for these programs: General apportionment, employee compensation adjustments, pupil transportation, special education programs, institutional education programs, transitional bilingual programs, highly capable, and learning assistance programs;

(ii) Local effort assistance funding received under chapter 28A.500 RCW; and

(iii) Maintenance and operation levy collection under RCW 84.52.0531 in the 2017 calendar year.

(2) From amounts appropriated in this act, the superintendent of public instruction must prioritize hold harmless payments to districts that meet both the following criteria:

(a) The sum of the school district's enrichment levy under RCW 84.52.0531 and 2017 3rd sp.s. c 13 s 203 and local effort assistance under RCW 28A.500.015 is less than half of the sum of the maintenance and operations levy and local effort assistance provided under law as it existed on January 1, 2017. For purposes of the calculation in this subsection, the maintenance and operations levy is limited to the lesser of the voter-approved levy as of January 1, 2017, or the maximum levy under law as of January 1, 2017; and

(b) The adjusted assessed value of property within the school district as calculated by the department of revenue is greater than twenty billion dollars in calendar year 2017.

(3) Districts eligible for hold-harmless payments under subsection (1) of this section shall receive the difference between subsection (1)(b) and (a) of this section through the apportionment payment process in RCW 28A.510.250.

(4) The voters of the school district must approve an enrichment levy under RCW 84.52.0531 to be eligible for a hold-harmless payment under this section.

(5) This section expires December 31, 2020.

Sec. 402. RCW 28A.150.415 and 2017 3rd sp.s. c 13 s 105 are each amended to read as follows:

(1) Beginning with the ~~((2018-19))~~ 2019-20 school year, the legislature shall begin phasing in funding for professional learning days for certificated instructional staff. The state allocation must be used solely for the purpose of providing professional learning. At a minimum, the state must allocate funding for:

(a) One professional learning day in the ~~((2018-19))~~ 2019-20 school year;

(b) Two professional learning days in the ~~((2019-20))~~ 2020-21 school year; and

(c) Three professional learning days in the ~~((2020-21))~~ 2021-22 school year.

(2) The office of the superintendent of public instruction shall calculate each school district's professional learning allocation as provided in subsection (1) of this section separate from the minimum state allocation for salaries as specified in RCW 28A.150.410 and associated fringe benefits on the apportionment reports provided to each local educational agency. The professional learning allocation shall be equal to the proportional increase resulting from adding the professional learning days provided in subsection (1) of this section to the required minimum number of school days in RCW 28A.150.220(5)(a) applied to the school district's minimum state allocation for salaries and associated fringe benefits for certificated instructional staff as specified in the omnibus appropriations act. Professional learning allocations shall be included in per-pupil calculations for programs funded on a per student rate calculation.

~~(3)~~ Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

~~((3))~~ (4) The professional learning days must meet the definitions and standards provided in RCW 28A.415.430, 28A.415.432, and 28A.415.434.

(5) The use of the funding provided under this section must be audited as part of the regular financial audits of school districts by the state auditor's office to ensure compliance with the limitations and conditions of this section.

Sec. 403. RCW 28A.710.280 and 2016 c 241 s 128 are each amended to read as follows:

(1) The legislature intends that state funding for charter schools be distributed equitably with state funding provided for other public schools.

(2) For eligible students enrolled in a charter school established and operating in accordance with this chapter, the superintendent of public instruction shall transmit to each charter school an amount calculated as provided in this section and based on the statewide average ~~((staff mix factor))~~ salaries set forth in RCW 28A.150.410 for certificated instructional staff adjusted by the regionalization factor that applies to the school district in which the charter school is geographically located, including any enrichment to those statutory formulae that is specified in the omnibus appropriations act. The amount must be the sum of (a) and (b) of this subsection ~~((as applicable))~~.

(a) The superintendent shall, for purposes of making distributions under this section, separately calculate and distribute to charter schools moneys appropriated for general apportionment under the same ratios as in RCW 28A.150.260.

(b) The superintendent also shall, for purposes of making distributions under this section, and in accordance with the applicable formulae for categorical programs specified in (b)(i) through (v) of this subsection (2) and any enrichment to those statutory formulae that is specified in the omnibus appropriations act, separately calculate and distribute moneys appropriated by the legislature to charter schools for:

(i) Supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065;

(ii) Supplemental instruction and services for eligible and enrolled students and exited students whose primary language is other than English through the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080;

(iii) The opportunity for an appropriate education at public expense as defined by RCW 28A.155.020 for all eligible students with disabilities as defined in RCW 28A.155.020;

(iv) Programs for highly capable students under RCW 28A.185.010 through 28A.185.030; and

(v) Pupil transportation services to and from school in accordance with RCW 28A.160.150 through 28A.160.180. Distributions for pupil transportation must be calculated on a per eligible student basis based on the allocation for the previous school year to the school district in which the charter school is located.

(3) The superintendent of public instruction must adopt rules necessary for the distribution of funding required by this section and to comply with federal reporting requirements.

Sec. 404. RCW 28A.715.040 and 2013 c 242 s 5 are each amended to read as follows:

(1) A school that is the subject of a state-tribal education compact must report student enrollment. Reporting must be done in the same manner and use the same definitions of enrolled students and annual average full-time equivalent enrollment as is

required of school districts. The reporting requirements in this subsection are required for a school to receive state or federal funding that is allocated based on student characteristics.

(2) Funding for a school that is the subject of a state-tribal education compact shall be apportioned by the superintendent of public instruction according to the schedule established under RCW 28A.510.250, including general apportionment, special education, categorical, and other nonbasic education moneys. Allocations for certificated instructional staff must be based on the ~~statewide average ((staff mix ratio of the school, as calculated by the superintendent of public instruction using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act))~~ salary set forth in RCW 28A.150.410, adjusted by the regionalization factor that applies to the school district in which the school is located. Allocations for classified staff and certificated administrative staff must be based on the salary allocations of the school district in which the school is located(~~(, subject to conditions and limitations established by the omnibus appropriations act))~~ as set forth in RCW 28A.150.410, adjusted by the regionalization factor that applies to the school district in which the school is located. Nothing in this section requires a school that is the subject of a state-tribal education compact to use the statewide salary allocation schedule. Such a school is eligible to apply for state grants on the same basis as a school district.

(3) Any moneys received by a school that is the subject of a state-tribal education compact from any source that remain in the school's accounts at the end of any budget year must remain in the school's accounts for use by the school during subsequent budget years.

Sec. 405. RCW 72.40.028 and 2009 c 381 s 7 are each amended to read as follows:

All teachers employed by the Washington state center for childhood deafness and hearing loss and the state school for the blind shall meet all certification requirements and the programs shall meet all accreditation requirements and conform to the standards defined by law or by rule of the Washington professional educator standards board or the office of the state superintendent of public instruction. The superintendent and the director, by rule, may adopt additional educational standards for their respective facilities. Salaries of all certificated employees shall be ~~((set so as to conform to and be contemporary with salaries paid to other certificated employees of similar background and experience in))~~ based on the statewide average salary set forth in RCW 28A.150.410, adjusted by the regionalization factor that applies to the school district in which the program or facility is located. The superintendent and the director may provide for provisional certification for teachers in their respective facilities including certification for emergency, temporary, substitute, or provisional duty.

Sec. 406. RCW 43.09.2856 and 2017 3rd sp.s. c 13 s 503 are each amended to read as follows:

(1) Beginning with the 2019-20 school year, to ensure that school district local revenues are used solely for purposes of enriching the state's statutory program of basic education, the state auditor's regular financial audits of school districts must include a review of the expenditure of school district local revenues for compliance with RCW 28A.150.276, including the spending plan approved by the superintendent of public instruction under RCW 28A.505.240 and its implementation, and any supplemental contracts entered into under RCW 28A.400.200.

(2) If an audit under subsection (1) of this section results in findings that a school district has failed to comply with these

requirements, then within ninety days of completing the audit the auditor must report the findings to the superintendent of public instruction, the office of financial management, and the education and operating budget committees of the legislature.

(3) The use of the state allocation provided for professional learning under RCW 28A.150.415 must be audited as part of the regular financial audits of school districts by the state auditor's office to ensure compliance with the limitations and conditions of RCW 28A.150.415.

NEW SECTION. Sec. 407. The sum of twelve million dollars is appropriated for the fiscal year ending June 30, 2019, from the general fund to the superintendent of public instruction solely for hold harmless payments for purposes of section 401(2) of this act.

Sec. 408. RCW 28A.505.140 and 2017 3rd sp.s. c 13 s 602 are each amended to read as follows:

(1) Notwithstanding any other provision of law, the superintendent of public instruction shall adopt such rules as will ensure proper budgetary procedures and practices, including monthly financial statements consistent with the provisions of RCW 43.09.200, and this chapter. By the ~~((2019-20))~~ 2018-19 school year, the rules must require school districts to provide separate accounting of state and local revenues to expenditures.

(2) If the superintendent of public instruction determines upon a review of the budget of any district that said budget does not comply with the budget procedures established by this chapter or by rules adopted by the superintendent of public instruction, or the provisions of RCW 43.09.200, the superintendent shall give written notice of this determination to the board of directors of the local school district.

(3) The local school district, notwithstanding any other provision of law, shall, within thirty days from the date the superintendent of public instruction issues a notice pursuant to subsection (2) of this section, submit a revised budget which meets the requirements of RCW 43.09.200, this chapter, and the rules of the superintendent of public instruction.

NEW SECTION. Sec. 409. A new section is added to chapter 28A.320 RCW to read as follows:

(1) Public schools may develop curricula that:

(a) Links student learning with engagement in seasonal or nonseasonal outdoor-based activities, including activities related to academic requirements in science, health and fitness, and career and technical education;

(b) Aligns with the essential academic learning requirements under RCW 28A.655.070 that are a component of the state's instructional program of basic education; and

(c) Includes locally administered competency based assessments that align with the Washington state learning standards.

(2) Public schools that develop curricula under this section may request authorization from the superintendent of public instruction as provided in section 410 of this act to consider student participation in seasonal or nonseasonal outdoor-based activities as instructional days for the purposes of basic education requirements established in RCW 28A.150.220(5).

NEW SECTION. Sec. 410. A new section is added to chapter 28A.300 RCW to read as follows:

(1) The superintendent of public instruction, subject to conformity with application or other requirements adopted by rule, shall approve requests by public schools as provided in section 409 of this act to consider student participation in seasonal or nonseasonal outdoor-based activities as instructional days for the purposes of basic education requirements established in RCW

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28A.150.220(5).

(2) The superintendent of public instruction shall adopt rules to implement this section.

NEW SECTION. Sec. 411. The following acts or parts of acts are each repealed:

(1)RCW 28A.415.020 (Credit on salary schedule for approved in-service training, continuing education, and internship) and 2011 1st sp.s. c 18 s 5, 2007 c 319 s 3, 2006 c 263 s 808, 1995 c 284 s 2, 1990 c 33 s 415, & 1987 c 519 s 1;

(2)RCW 28A.415.023 (Credit on salary schedule for approved in-service training, continuing education, or internship—Course content—Rules) and 2012 c 35 s 6 & 2011 1st sp.s. c 18 s 6; and

(3)RCW 28A.415.024 (Credit on salary schedule—Accredited institutions—Verification—Penalty for submitting credits from unaccredited institutions) and 2006 c 263 s 809 & 2005 c 461 s 1.

NEW SECTION. Sec. 412. Sections 303 and 307 of this act take effect January 1, 2019."

Correct the title.

and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

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

PERSONAL PRIVILEGE

Senator Becker: "Thank you Mr. President. I just wanted to talk about a couple of weeks ago, actually on February 12th, when I rose to two points of personal privilege. One to celebrate my 45th wedding anniversary with my colleagues and one to honor President Lincoln on his birthday. Both of those issues are really near and dear to my heart and every year I have raised and talked, stood up and talked about these things. And every year people have congratulated me on my, the length of my wedding, my marriage etcetera and we all had fun. Other people have done the same sort of thing and it's been a really nice thing to be able to do. I think its fun for each of us when we are down here and it's so serious and we actually take a few moments and celebrate with each other things that are important. Mr. President that a good thing and I've always felt that I could do that. And it helps again for each of us to learn about each other, understand their perspectives and appreciate everything that's happened. However, Mr. President, on February 12, after my points of personal privilege, I felt embarrassed and I was very upset Mr. President. My colleagues in the Senate were appreciative Mr. President but I did not feel you were. Mr. President, you referred to me specifically when you decided to impugn, or I felt you were impugning my motives by implying the points were dilatory and not appropriate. You cited me Mr. President. Now I want to say that there's, although you only cited one, Mr. President, there is no Senate rule on dilatory motions, but there is a rule in Reed's. Mr. President may I read from rule 225 in Reed's.

President Habib: "You may proceed."

Senator Becker: "It sometimes happens that in the forgetfulness of temper and of party feeling the processes of the assembly created to transact business are so abused as to be in themselves disorder. In that event the presiding officer should disregard such proceedings, after he has become entirely satisfied of their nature, and put only such motions as will expedite the

declaration of the will of the assembly.' Underlined is 'Necessarily such a course is to be taken vary rarely, and after the offense is clear to all.' Reed's goes on to cite an example of that debate that went on for 43 hours. Mr. President that is hardly the same as my two points of personal privilege taking up less than six minutes that day. Mr. President, I wanted to express my feelings because during this entire time, my ten years down here, I have never felt embarrassed other than by my stupid comments. And I have never felt that I have tried to undermine this Senate and this is a hard thing for me to do Mr. President but I think that it is absolutely necessary. The one thing that I feel very strongly about is that each of the members here are entitled to speak. And I ask that you honor the rules of the Senate appropriately. Thank you Mr. President."

REMARKS BY THE PRESIDENT

President Habib: "Thank you Senator Becker and I appreciate you bringing that forward and I will tell you that I take it very seriously that you were, that you felt embarrassed or you felt uncomfortable, it is you are absolutely right that everybody in the Senate, every member of the Senate, myself included, all deserve to be treated with respect and each and every single one of us should, through our conduct, elevate the dignity of the Senate. And there have been times and colleagues of yours on both sides of the aisle can tell you there have been times where I personally apologized for times I think I where I have fallen short of that. I recall not only congratulating you on your anniversary but actually making a joke about, because it also happened to be Senator Hobbs' birthday, about whether it was possible maybe Senator Hobbs was born on that same day, I underestimated Senator Hobbs' age by only a year or two. But I do want to clarify that the use of the points of personal privilege are precisely to be reserved for the use that you just made, and so even though I don't mind you, even though I think ideally you and I should discuss this privately, I think it is perfectly appropriate for you to use the point of personal privilege in the way that you just did. My remarks, to which you are referring, came after you and another senator had made a point of personal privilege to talk about President Lincoln and what I said at that time, because I think we were rushing through a number of bills and maybe cutoff was coming up, was to say that given the late hour of the night and how many bills we were doing, the use of the personal privilege, that point, a point of personal privilege was becoming abusive by the Senate as a whole. And I did not mean either that you had abused it individually or to make any reference to your prior anniversary announcement and so I hope that that clarifies the point. I do think that points of personal privilege are important and we use them to celebrate Senator Baumgartner for example yesterday. And we ought to be able to do that, but there is a definition of that term in the, in our own rules and it is made clear what that is.

Senator Becker: "Thank you Mr. President. The reason I am standing up is because you specifically called me out when you were using that, but I will accept your apology on this and I will thank you for the acknowledgement. Thank you."

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Darneille moved that Evelyn Yenson, Senate Gubernatorial Appointment No. 9206, be confirmed as a member of the Clemency and Pardons Board.

Senator Darneille spoke in favor of the motion.

APPOINTMENT OF EVELYN YENSON

The President declared the question before the Senate to be the confirmation of Evelyn Yenson, Senate Gubernatorial Appointment No. 9206, as a member of the Clemency and Pardons Board.

The Secretary called the roll on the confirmation of Evelyn Yenson, Senate Gubernatorial Appointment No. 9206, as a member of the Clemency and Pardons Board and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Evelyn Yenson, Senate Gubernatorial Appointment No. 9206, having received the constitutional majority was declared confirmed as a member of the Clemency and Pardons Board.

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator McCoy moved that Emily Washines, Senate Gubernatorial Appointment No. 9333, be confirmed as a member of the Central Washington University Board of Trustees.

Senator McCoy spoke in favor of the motion.

APPOINTMENT OF EMILY WASHINES

The President declared the question before the Senate to be the confirmation of Emily Washines, Senate Gubernatorial Appointment No. 9333, as a member of the Central Washington University Board of Trustees.

The Secretary called the roll on the confirmation of Emily Washines, Senate Gubernatorial Appointment No. 9333, as a member of the Central Washington University Board of Trustees and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Emily Washines, Senate Gubernatorial Appointment No. 9333, having received the constitutional majority was declared confirmed as a member of the Central Washington University Board of Trustees.

SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and

Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

SUBSTITUTE HOUSE BILL NO. 1209,
 ENGROSSED HOUSE BILL NO. 1237,
 SECOND SUBSTITUTE HOUSE BILL NO. 1377,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1439,
 HOUSE BILL NO. 1452,
 SUBSTITUTE HOUSE BILL NO. 1524,
 SUBSTITUTE HOUSE BILL NO. 1539,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1561,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1783,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1889,
 SECOND SUBSTITUTE HOUSE BILL NO. 2015,
 ENGROSSED HOUSE BILL NO. 2097,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2143,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2177,
 SUBSTITUTE HOUSE BILL NO. 2276,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2285,
 SUBSTITUTE HOUSE BILL NO. 2322,
 SUBSTITUTE HOUSE BILL NO. 2367,
 THIRD SUBSTITUTE HOUSE BILL NO. 2382,
 SUBSTITUTE HOUSE BILL NO. 2424,
 SUBSTITUTE HOUSE BILL NO. 2561,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2578,
 SUBSTITUTE HOUSE BILL NO. 2627,
 SUBSTITUTE HOUSE BILL NO. 2651,
 SUBSTITUTE HOUSE BILL NO. 2664,
 SUBSTITUTE HOUSE BILL NO. 2667,
 SUBSTITUTE HOUSE BILL NO. 2685,
 SUBSTITUTE HOUSE BILL NO. 2692,
 HOUSE BILL NO. 2709,
 HOUSE BILL NO. 2733,
 ENGROSSED HOUSE BILL NO. 2759,
 ENGROSSED HOUSE BILL NO. 2777,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2779,
 HOUSE BILL NO. 2816,
 SUBSTITUTE HOUSE BILL NO. 2824,
 HOUSE BILL NO. 2892,
 SENATE BILL NO. 6007,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6032,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6106,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6241,
 SECOND SUBSTITUTE HOUSE BILL NO. 1506,
 SECOND SUBSTITUTE HOUSE BILL NO. 1896,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2009,
 HOUSE BILL NO. 2271,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2334,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2406,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2595,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2610,
 SUBSTITUTE HOUSE BILL NO. 2638,
 SUBSTITUTE HOUSE BILL NO. 3002,
 HOUSE CONCURRENT RESOLUTION NO. 4415.

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THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger
Absent: Senators Baumgartner and Fortunato

MOTION

Senator Wellman moved that Greg Szabo, Senate Gubernatorial Appointment No. 9338, be confirmed as a member of the Washington State School for the Blind Board of Trustees.
Senator Wellman spoke in favor of the motion.

Robert Bugert, Senate Gubernatorial Appointment No. 9299, having received the constitutional majority was declared confirmed as a member of the Salmon Recovery Funding Board.

Senator Keiser assumed the chair.

APPOINTMENT OF GREG SZABO

THIRD READING
CONFIRMATION OF APPOINTMENTS

MOTION

The President declared the question before the Senate to be the confirmation of Greg Szabo, Senate Gubernatorial Appointment No. 9338, as a member of the Washington State School for the Blind Board of Trustees.

Senator Darneille moved that Christopher Poulos, Senate Confirmable Appointment No. 9800, be confirmed as a Executive Director of the Washington Statewide Reentry Council.

Senators Darneille and O'Ban spoke in favor of passage of the motion.

The Secretary called the roll on the confirmation of Greg Szabo, Senate Gubernatorial Appointment No. 9338, as a member of the Washington State School for the Blind Board of Trustees and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 2; Excused, 0.

APPOINTMENT OF CHRISTOPHER POULOS

The President Pro Tempore declared the question before the Senate to be the confirmation of Christopher Poulos, Senate Confirmable Appointment No. 9800, as a Executive Director of the Washington Statewide Reentry Council.

Voting yea: Senators Angel, Bailey, Becker, Billig, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger
Absent: Senators Baumgartner and Braun

The Secretary called the roll on the confirmation of Christopher Poulos, Senate Confirmable Appointment No. 9800, as a Executive Director of the Washington Statewide Reentry Council and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 2; Excused, 0.

Voting yea: Senators Angel, Bailey, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger
Absent: Senators Baumgartner and Fortunato

Greg Szabo, Senate Gubernatorial Appointment No. 9338, having received the constitutional majority was declared confirmed as a member of the Washington State School for the Blind Board of Trustees.

Christopher Poulos, Senate Confirmable Appointment No. 9800, having received the constitutional majority was declared confirmed as a Executive Director of the Washington Statewide Reentry Council.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

MOTION

Senator Warnick moved that Robert Bugert, Senate Gubernatorial Appointment No. 9299, be confirmed as a member of the Salmon Recovery Funding Board.
Senators Warnick and Hawkins spoke in favor of passage of the motion.

Senator Hunt moved that Irene Gonzales, Senate Gubernatorial Appointment No. 9173, be confirmed as a member of the The Evergreen State College Board of Trustees.
Senator Hunt spoke in favor of the motion.

APPOINTMENT OF ROBERT BUGERT

APPOINTMENT OF IRENE GONZALES

The President declared the question before the Senate to be the confirmation of Robert Bugert, Senate Gubernatorial Appointment No. 9299, as a member of the Salmon Recovery Funding Board.

The President Pro Tempore declared the question before the Senate to be the confirmation of Irene Gonzales, Senate Gubernatorial Appointment No. 9173, as a member of the The Evergreen State College Board of Trustees.

The Secretary called the roll on the confirmation of Robert Bugert, Senate Gubernatorial Appointment No. 9299, as a member of the Salmon Recovery Funding Board and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 2; Excused, 0.

The Secretary called the roll on the confirmation of Irene Gonzales, Senate Gubernatorial Appointment No. 9173, as a member of The Evergreen State College Board of Trustees and

Voting yea: Senators Angel, Bailey, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De

the appointment was confirmed by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Ericksen, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Liias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

Voting nay: Senator Short

Irene Gonzales, Senate gubernatorial appointment No. 9173, having received the constitutional majority was declared confirmed as a member of the The Evergreen State College Board of Trustees.

MOTION

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

MESSAGE FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:

The House passed ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6362 with the following amendment(s): 6362-S2.E AMH ENGR H5190.E

Strike everything after the enacting clause and insert the following:

"PART I: PROGRAM FUNDING

Sec. 101. RCW 28A.150.260 and 2017 3rd sp.s. c 13 s 402 are each amended to read as follows:

The purpose of this section is to provide for the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education under RCW 28A.150.220. The allocation shall be determined as follows:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula for the distribution of a basic education instructional allocation for each common school district.

(2)(a) The distribution formula under this section shall be for allocation purposes only. Except as may be required under subsections (4)(b) and (c) and (9) of this section, chapter 28A.155, 28A.165, 28A.180, or 28A.185 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular instructional approach or service. Nothing in this section requires school districts to maintain a particular classroom teacher-to-student ratio or other staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section entitles an individual teacher to a particular teacher planning period.

(b) To promote transparency in state funding allocations, the superintendent of public instruction must report state per-pupil allocations for each school district for the general apportionment, special education, learning assistance, transitional bilingual, highly capable, and career and technical education programs. The superintendent must also report state general apportionment per-pupil allocations by grade for each school district. The superintendent must report this information in a user-friendly

format on the main page of the office's web site and on school district apportionment reports. School districts must include a link to the superintendent's per-pupil allocations report on the main page of the school district's web site. In addition, the budget documents published by the legislature for the enacted omnibus operating appropriations act must report statewide average per-pupil allocations for general apportionment and the categorical programs listed in this subsection.

(3)(a) To the extent the technical details of the formula have been adopted by the legislature and except when specifically provided as a school district allocation, the distribution formula for the basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to support instruction and operations in prototypical schools serving high, middle, and elementary school students as provided in this section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be operated or structured in a similar fashion as the prototypes. Prototypical schools illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and various categories of school staff. It is the intent that the funding allocations to school districts be adjusted from the school prototypes based on the actual number of annual average full-time equivalent students in each grade level at each school in the district and not based on the grade-level configuration of the school to the extent that data is available. The allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors identified in the omnibus appropriations act.

(b) For the purposes of this section, prototypical schools are defined as follows:

(i) A prototypical high school has six hundred average annual full-time equivalent students in grades nine through twelve;

(ii) A prototypical middle school has four hundred thirty-two average annual full-time equivalent students in grades seven and eight; and

(iii) A prototypical elementary school has four hundred average annual full-time equivalent students in grades kindergarten through six.

(4)(a)(i) The minimum allocation for each level of prototypical school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours under RCW 28A.150.220 and provide at least one teacher planning period per school day, and based on the following general education average class size of full-time equivalent students per teacher:

General education	
average class size	
Grades K-3	17.00
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

(ii) The minimum class size allocation for each prototypical high school shall also provide for enhanced funding for class size reduction for two laboratory science classes within grades nine through twelve per full-time equivalent high school student multiplied by a laboratory science course factor of 0.0833, based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours in RCW 28A.150.220, and providing at least one teacher planning period per school day:

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Laboratory science average class size Grades 9-12 19.98

Office support and other noninstructional aides	2	2.01	2.	3
Custodians	7	1.65	1.	2
Classified staff providing student and staff safety	9	0.07	0.	0
Parent involvement coordinators	25	0.08	0.	0
				.00

(b)(i) Beginning September 1, ((2018)) 2019, funding for average K-3 class sizes in this subsection (4) may be provided only to the extent of, and proportionate to, the school district's demonstrated actual class size in grades K-3, up to the funded class sizes.

(ii) The office of the superintendent of public instruction shall develop rules to implement this subsection (4)(b).

(c)(i) The minimum allocation for each prototypical middle and high school shall also provide for full-time equivalent classroom teachers based on the following number of full-time equivalent students per teacher in career and technical education:

Career and technical education average class size
 Approved career and technical education offered at the middle school and high school level 23.00
 Skill center programs meeting the standards established by the office of the superintendent of public instruction 20.00

(ii) Funding allocated under this subsection (4)(c) is subject to RCW 28A.150.265.

(d) In addition, the omnibus appropriations act shall at a minimum specify:

(i) A high-poverty average class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals; and

(ii) A specialty average class size for advanced placement and international baccalaureate courses.

(5) The minimum allocation for each level of prototypical school shall include allocations for the following types of staff in addition to classroom teachers:

	Elementary School	Middle School	High School
Principals, assistant principals, and other certificated building-level administrators.....	1.25	1.	1
	3	353	.88
			0
Teacher-librarians, a function that includes information literacy, technology, and media to support school library media programs	0.66	0.	0
	3	519	.52
			3
Health and social services:			
School nurses	0.07	0.	0
	6	060	.09
			6
Social workers.....	0.04	0.	0
	2	006	.01
			5
Psychologists.....	0.01	0.	0
	7	002	.00
			7
Guidance counselors, a function that includes parent outreach and graduation advising	0.49	1.	2
	3	216	.53
			9
Teaching assistance, including any aspect of educational instructional services provided by classified employees	0.93	0.	0
	6	700	.65
			2

(6)(a) The minimum staffing allocation for each school district to provide district-wide support services shall be allocated per one thousand annual average full-time equivalent students in grades K-12 as follows:

Staff per 1,000 K-12 students	
Technology.....	0.628
Facilities, maintenance, and grounds.....	1.813
Warehouse, laborers, and mechanics.....	0.332

(b) The minimum allocation of staff units for each school district to support certificated and classified staffing of central administration shall be 5.30 percent of the staff units generated under subsections (4)(a) and (5) of this section and (a) of this subsection.

(7) The distribution formula shall include staffing allocations to school districts for career and technical education and skill center administrative and other school-level certificated staff, as specified in the omnibus appropriations act.

(8)(a) Except as provided in (b) of this subsection, the minimum allocation for each school district shall include allocations per annual average full-time equivalent student for the following materials, supplies, and operating costs as provided in the 2017-18 school year, after which the allocations shall be adjusted annually for inflation as specified in the omnibus appropriations act:

Per annual average full-time equivalent student in grades K-12	
Technology.....	\$130.76
Utilities and insurance	\$355.30
Curriculum and textbooks	\$140.39
Other supplies ((and library materials))... ((\$298.05))	<u>\$278.05</u>
<u>Library materials</u>	<u>\$20.00</u>
Instructional professional development for certificated and classified staff.....	\$21.71
Facilities maintenance	\$176.01
Security and central office administration.....	\$121.94

(b) In addition to the amounts provided in (a) of this subsection, beginning in the 2014-15 school year, the omnibus appropriations act shall provide the following minimum allocation for each annual average full-time equivalent student in grades nine through twelve for the following materials, supplies, and operating costs, to be adjusted annually for inflation:

Per annual average full-time equivalent student in grades 9-12	
Technology.....	\$36.35
Curriculum and textbooks	\$39.02
Other supplies ((and library materials))..... ((\$82.84))	<u>\$77.28</u>
<u>Library materials</u>	<u>\$5.56</u>
Instructional professional development for certificated and	

classified staff\$6.04

(9) In addition to the amounts provided in subsection (8) of this section and subject to RCW 28A.150.265, the omnibus appropriations act shall provide an amount based on full-time equivalent student enrollment in each of the following:

(a) Exploratory career and technical education courses for students in grades seven through twelve;

(b) Preparatory career and technical education courses for students in grades nine through twelve offered in a high school; and

(c) Preparatory career and technical education courses for students in grades eleven and twelve offered through a skill center.

(10) In addition to the allocations otherwise provided under this section, amounts shall be provided to support the following programs and services:

(a)(i) To provide supplemental instruction and services for students who are not meeting academic standards through the learning assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the district percentage of students in grades K-12 who were eligible for free or reduced-price meals in the prior school year. The minimum allocation for the program shall provide for each level of prototypical school resources to provide, on a statewide average, 2.3975 hours per week in extra instruction with a class size of fifteen learning assistance program students per teacher.

(ii) In addition to funding allocated under (a)(i) of this subsection, to provide supplemental instruction and services for students who are not meeting academic standards in ~~((schools where at least fifty percent of students are eligible for free and reduced-price meals))~~ qualifying schools. A qualifying school means a school in which the three-year rolling average of the prior year total annual average enrollment that qualifies for free or reduced-price meals equals or exceeds fifty percent or more of its total annual average enrollment. The minimum allocation for this additional high poverty-based allocation must provide for each level of prototypical school resources to provide, on a statewide average, 1.1 hours per week in extra instruction with a class size of fifteen learning assistance program students per teacher, under RCW 28A.165.055, school districts must distribute the high poverty-based allocation to the schools that generated the funding allocation.

(b)(i) To provide supplemental instruction and services for students whose primary language is other than English, allocations shall be based on the head count number of students in each school who are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080. The minimum allocation for each level of prototypical school shall provide resources to provide, on a statewide average, 4.7780 hours per week in extra instruction for students in grades kindergarten through six and 6.7780 hours per week in extra instruction for students in grades seven through twelve, with fifteen transitional bilingual instruction program students per teacher. Notwithstanding other provisions of this subsection (10), the actual per-student allocation may be scaled to provide a larger allocation for students needing more intensive intervention and a commensurate reduced allocation for students needing less intensive intervention, as detailed in the omnibus appropriations act.

(ii) To provide supplemental instruction and services for students who have exited the transitional bilingual program, allocations shall be based on the head count number of students in each school who have exited the transitional bilingual program within the previous two years based on their performance on the English proficiency assessment and are eligible for and enrolled

in the transitional bilingual instruction program under RCW 28A.180.040(1)(g). The minimum allocation for each prototypical school shall provide resources to provide, on a statewide average, 3.0 hours per week in extra instruction with fifteen exited students per teacher.

(c) To provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, allocations shall be based on 5.0 percent of each school district's full-time equivalent basic education enrollment. The minimum allocation for the programs shall provide resources to provide, on a statewide average, 2.1590 hours per week in extra instruction with fifteen highly capable program students per teacher.

(11) The allocations under subsections (4)(a), (5), (6), and (8) of this section shall be enhanced as provided under RCW 28A.150.390 on an excess cost basis to provide supplemental instructional resources for students with disabilities.

(12)(a) For the purposes of allocations for prototypical high schools and middle schools under subsections (4) and (10) of this section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

(b) Allocations or enhancements provided under subsections (4), (7), and (9) of this section for exploratory and preparatory career and technical education courses shall be provided only for courses approved by the office of the superintendent of public instruction under chapter 28A.700 RCW.

(13)(a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature.

(b) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect.

(c) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the first school day of each month, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. The definition of full-time equivalent student shall be determined by rules of the superintendent of public instruction and shall be included as part of the superintendent's biennial budget request. The definition shall be based on the minimum instructional hour offerings required under RCW 28A.150.220. Any revision of the present definition shall not take effect until approved by the house ways and means committee and the senate ways and means committee.

(d) The office of financial management shall make a monthly review of the superintendent's reported full-time equivalent students in the common schools in conjunction with RCW 43.62.050.

Sec. 102. RCW 28A.150.390 and 2017 3rd sp.s. c 13 s 406 are each amended to read as follows:

(1) The superintendent of public instruction shall submit to each regular session of the legislature during an odd-numbered year a programmed budget request for special education programs for students with disabilities. Funding for programs operated by local school districts shall be on an excess cost basis from appropriations provided by the legislature for special education programs for students with disabilities and shall take account of state funds accruing through RCW 28A.150.260 (4)(a), (5), (6),

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and (8) and 28A.150.415.

(2) The excess cost allocation to school districts shall be based on the following:

(a) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten who are eligible for and enrolled in special education, multiplied by the district's base allocation per full-time equivalent student, multiplied by 1.15; and

(b) A district's annual average full-time equivalent basic education enrollment, multiplied by the district's funded enrollment percent, multiplied by the district's base allocation per full-time equivalent student, multiplied by ~~((0.9309))~~ 0.9609.

(3) As used in this section:

(a) "Base allocation" means the total state allocation to all schools in the district generated by the distribution formula under RCW 28A.150.260 (4)(a), (5), (6), and (8) and 28A.150.415, to be divided by the district's full-time equivalent enrollment.

(b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.

(c) "Enrollment percent" means the district's resident special education annual average enrollment, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

(d) "Funded enrollment percent" means the lesser of the district's actual enrollment percent or thirteen and five-tenths percent.

NEW SECTION. Sec. 103. A new section is added to chapter 28A.160 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, a transportation alternate funding grant program is created.

(2) As part of the award process for the grants, the superintendent of public instruction must include a review of the school district's efficiency rating, key performance indicators, and local school district characteristics such as unique geographic constraints, low enrollment, geographic density of students, the percentage of students served under the McKinney-Vento homeless assistance act from outside the district, or whether the district is a nonhigh district.

Sec. 104. RCW 28A.165.055 and 2017 3rd sp.s. c 13 s 405 are each amended to read as follows:

(1) The funds for the learning assistance program shall be appropriated in accordance with RCW 28A.150.260 and the omnibus appropriations act. The distribution formula is for school district allocation purposes only, except as provided in RCW 28A.150.260(10)(a)(ii), but all funds appropriated for the learning assistance program must be expended for the purposes of RCW 28A.165.005 through 28A.165.065.

(2) A district's high poverty-based allocation is generated by its qualifying schools ~~((buildings))~~ as defined in RCW 28A.150.260(10) and must be expended by the district for those ~~((buildings))~~ schools. This funding must supplement and not supplant the district's expenditures under this chapter for those schools ~~((buildings))~~.

NEW SECTION. Sec. 105. A new section is added to chapter 28A.300 RCW to read as follows:

(1) The superintendent of public instruction must require school districts to have identification procedures for their highly capable programs that are clearly stated and implemented by

school districts using the following criteria:

(a) Districts must use multiple objective criteria to identify students who are among the most highly capable. Multiple pathways for qualifications must be available and no single criterion may disqualify a student from identification;

(b) Highly capable selection decisions must be based on consideration of criteria benchmarked on local norms, but local norms may not be used as a more restrictive criteria than national norms at the same percentile;

(c) Subjective measures such as teacher recommendations or report card grades may not be used to screen out a student from assessment. These data points may be used alongside other criteria during selection to support identification, but may not be used to disqualify a student from being identified; and

(d) To the extent practicable, screening and assessments must be given in the native language of the student. If native language screening and assessments are not available, a nonverbal screening and assessment must be used.

(2) The superintendent of public instruction must disseminate guidance on referral, screening, assessment, selection, and placement best practices for highly capable programs. The guidance must be regularly updated and aligned with evidence-based practices.

Sec. 106. RCW 28A.150.392 and 2017 3rd sp.s. c 13 s 407 are each amended to read as follows:

(1)(a) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390.

(b) If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need.

(2) Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall award additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas.

(b) In the determination of need, the committee shall consider additional available revenues from federal sources.

(c) Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(d) In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state revenues related to services for special education-eligible students and all federal revenues from federal impact aid, medicaid, and the individuals with disabilities education act-Part B and appropriate special projects. Awards associated with (e) and (f) of this subsection shall not exceed the total of a district's specific determination of need.

(e) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(f) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (2)(f) shall be adjusted to reflect amounts awarded under (e) of this

subsection.

(g) The committee shall then consider the extraordinary high cost needs of one or more individual special education students served in residential schools as defined in RCW 28A.190.020, programs for juveniles under the department of corrections, and programs for juveniles operated by city and county jails to the extent they are providing a program of education for students enrolled in special education.

(h) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

~~((h))~~ (i) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

~~((i))~~ (j) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(3) The superintendent of public instruction shall adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. By ~~((September 1, 2019))~~ December 1, 2018, the superintendent shall review and revise the rules to achieve full and complete implementation of the requirements of this subsection and subsection (4) of this section including revisions to rules that provide additional flexibility to access community impact awards. Before revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

(4) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.

(5) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

PART II: COMPENSATION

NEW SECTION. Sec. 201. The legislature recognizes that Initiative Measure No. 1433 was approved by the voters of the state of Washington in 2016 requiring employers to provide paid sick leave to each of its employees. The legislature acknowledges that the enactment of this initiative contributes to the costs of operations of the state's public schools and intends to provide funding in the omnibus appropriations act to support school districts with these additional costs.

Sec. 202. RCW 28A.150.410 and 2017 3rd sp.s. c 13 s 101 are each amended to read as follows:

(1) Through the 2017-18 school year, the legislature shall establish for each school year in the appropriations act a statewide salary allocation schedule, for allocation purposes only, to be used to distribute funds for basic education certificated instructional staff salaries under RCW 28A.150.260. For the purposes of this section, the staff allocations for classroom teachers, teacher-librarians, guidance counselors, and student health services staff under RCW 28A.150.260 are considered allocations for certificated instructional staff.

(2) Through the 2017-18 school year, salary allocations for state-funded basic education certificated instructional staff shall be calculated by the superintendent of public instruction by determining the district's average salary for certificated instructional staff, using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act.

(3) Through the 2017-18 school year, no more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in the omnibus appropriations act, or any replacement schedules and documents, unless:

(a) The employee has a master's degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(4) Beginning in the 2007-08 school year and through the 2017-18 school year, the calculation of years of service for occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, and psychologists regulated under Title 18 RCW may include experience in schools and other nonschool positions as occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, or psychologists. The calculation shall be that one year of service in a nonschool position counts as one year of service for purposes of this chapter, up to a limit of two years of nonschool service. Nonschool years of service included in calculations under this subsection shall not be applied to service credit totals for purposes of any retirement benefit under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement system benefits.

(5) By the ~~((2019-20))~~ 2018-19 school year, the minimum state allocation for salaries for certificated instructional staff in the basic education program must be increased ~~((beginning in the 2018-19 school year))~~ to provide a statewide average allocation of sixty-four thousand dollars adjusted for inflation from the 2017-18 school year.

(6) By the ~~((2019-20))~~ 2018-19 school year, the minimum state allocation for salaries for certificated administrative staff in the basic education program must be increased ~~((beginning in the 2018-19 school year))~~ to provide a statewide average allocation of ninety-five thousand dollars adjusted for inflation from the 2017-18 school year.

(7) By the ~~((2019-20))~~ 2018-19 school year, the minimum state allocation for salaries for classified staff in the basic education program must be increased ~~((beginning in the 2018-19 school year))~~ to provide a statewide average allocation of forty-five thousand nine hundred twelve dollars adjusted by inflation from the 2017-18 school year.

(8) ~~((To implement the new minimum salary allocations in subsections (5) through (7) of this section, the legislature must fund fifty percent of the increased salary allocation in the 2018-19 school year and the entire increased salary allocation in the 2019-20 school year.))~~ For school year 2018-19, a district's minimum state allocation for salaries is the greater of the district's

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2017-18 state salary allocation, adjusted for inflation, or the district's allocation based on the state salary level specified in subsections (5) through (7) of this section, and as further specified in the omnibus appropriations act.

(9) Beginning with the 2018-19 school year, state allocations for salaries for certificated instructional staff, certificated administrative staff, and classified staff must be adjusted for regional differences in the cost of hiring staff. Adjustments for regional differences must be specified in the omnibus appropriations act for each school year through at least school year 2022-23. For school years 2018-19 through school year 2022-23, the school district regionalization factors are based on the median single-family residential value of each school district and proximate school district median single-family residential value as described in RCW 28A.150.412.

(10) Beginning with the 2023-24 school year and every ~~((six))~~ four years thereafter, the minimum state salary allocations and school district regionalization factors for certificated instructional staff, ~~certificated ((administration — F:\Journal\2018 Journal\Journal2018\LegDay060\administrative.doc))~~ administrative staff, and classified staff must be reviewed and rebased, as provided under RCW 28A.150.412, to ensure that state salary allocations continue to align with staffing costs for the state's program of basic education.

(11) For the purposes of this section, "inflation" has the meaning provided in RCW 28A.400.205 for "inflationary adjustment index."

Sec. 203. RCW 28A.150.412 and 2017 3rd sp.s. c 13 s 104 are each amended to read as follows:

(1) Beginning with the 2023 regular legislative session, and every ~~((six))~~ four years thereafter, the legislature shall review and rebase state basic education compensation allocations compared to school district compensation data, regionalization factors, what inflationary measure is the most representative of actual market experience for school districts, and other economic information. The legislature shall revise the minimum allocations ~~((and))~~, regionalization factors, and inflationary measure if necessary to ensure that state basic education allocations continue to provide market-rate salaries and that regionalization adjustments reflect actual economic differences between school districts.

(2)(a) For school districts with single-family residential values above the statewide median residential value, regionalization factors for school years 2018-19 through school year 2022-23 are as follows:

(i) For school districts in tercile 1, state salary allocations for school district employees are regionalized by six percent;

(ii) For school districts in tercile 2, state salary allocations for school district employees are regionalized by twelve percent; and

(iii) For school districts in tercile 3, state salary allocations for school district employees are regionalized by eighteen percent.

(b) In addition to the regionalization factors specified in (a) of this subsection, school districts located west of the crest of the Cascade mountains and sharing a boundary with any school district with a regionalization factor more than one tercile higher, are regionalized by six additional percentage points.

(c) In addition to the regionalization factors specified in this subsection, for school districts that have certificated instructional staff median years of experience that exceed the statewide average certificated instructional staff years of experience and a ratio of certificated instructional staff advanced degrees to bachelor degrees above the statewide ratio, an experience factor of four percentage points is added to the regionalization factor, beginning in the 2019-20 school year.

(d) Additional school district adjustments are identified in the omnibus appropriations act, and these adjustments are partially

reduced or eliminated by the 2022-23 school year as follows:

(i) Adjustments that increase the regionalization factor to a value that is greater than the tercile 3 regionalization factor must be reduced by two percentage points each school year beginning with school year 2020-21, through 2022-23.

(ii) Adjustments that increase the regionalization factor to a value that is less than or equal to the tercile 3 regionalization factor must be reduced by one percentage point each school year beginning with school year 2020-21, through 2022-23.

(3) To aid the legislature in reviewing and rebasing regionalization factors, the department of revenue shall, by November 1, 2022, and by November 1st every ~~((six))~~ four years thereafter, determine the median single-family residential value of each school district as well as the median value of proximate districts within fifteen miles of the boundary of the school district for which the median residential value is being calculated.

(4) No district may receive less state funding for the minimum state salary allocation as compared to its prior school year salary allocation as a result of adjustments that reflect updated regionalized salaries.

(5) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Median residential value of each school district" means the median value of all single-family residential parcels included within a school district and any other school district that is proximate to the school district.

(b) "Proximate to the school district" means within fifteen miles of the boundary of the school district for which the median residential value is being calculated.

(c) "School district employees" means state-funded certificated instructional staff, certificated administrative staff, and classified staff.

(d) "School districts in tercile 1" means school districts with median single-family residential values in the first tercile of districts with single-family residential values above the statewide median residential value.

(e) "School districts in tercile 2" means school districts with median single-family residential values in the second tercile of districts with single-family residential values above the statewide median residential value.

(f) "School districts in tercile 3" means school districts with median single-family residential values in the third tercile of districts with single-family residential values above the statewide median residential value.

(g) "Statewide median residential value" means the median value of single-family residential parcels located within all school districts, reduced by five percent.

Sec. 204. RCW 28A.400.006 and 2017 3rd sp.s. c 13 s 703 are each amended to read as follows:

(1) A school district may not ~~((provide any))~~ increase average total school district expenditures for certificated administrative staff ((with a percentage increase to total salary)) for the 2018-19 school year ~~((including supplemental contracts, that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average certificated administrative staff salary is less than the average certificated administrative salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average certificated administrative staff salary equals the average certificated administrative staff salary allocated by the state))~~ in excess of the following:

(a) Annual salary inflationary adjustments based on the rate of the yearly increase of the previous calendar year's annual average

consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle;

(b) Annual experience and education salary step increases according to what was the prior year's practice within the school district; or

(c) School districts with an average total certificated administrative staff salary less than the statewide average certificated administrative staff salary allocation used to distribute funds for basic education as estimated by the office of the superintendent of public instruction for the 2018-19 school year may provide salary increases up to the statewide average allocation.

(2) Changes to any terms of an employment contract for nonrepresented employees must comply with the same requirements established in this section.

(3) This section expires August 31, 2019.

Sec. 205. RCW 28A.400.200 and 2017 3rd sp.s. c 13 s 103 are each amended to read as follows:

(1) Every school district board of directors shall fix, alter, allow, and order paid salaries and compensation for all district employees in conformance with this section.

(2)(a) Through the 2017-18 school year, salaries for certificated instructional staff shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a baccalaureate degree and zero years of service;

(b) Salaries for certificated instructional staff with a master's degree shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a master's degree and zero years of service; and

(c) Beginning with the ~~((2019-20))~~ 2018-19 school year:

(i) Salaries for full-time certificated instructional staff must not be less than forty thousand dollars, to be adjusted for regional differences in the cost of hiring staff as specified in RCW 28A.150.410, and to be adjusted annually by the same inflationary measure as provided in RCW 28A.400.205;

(ii) Salaries for full-time certificated instructional staff with at least five years of experience must exceed by at least ten percent the value specified in (c)(i) of this subsection;

(iii) A district may not pay full-time certificated instructional staff a salary that exceeds ninety thousand dollars, subject to adjustment for regional differences in the cost of hiring staff as specified in RCW 28A.150.410. This maximum salary is adjusted annually by the inflationary measure in RCW 28A.400.205;

(iv) These minimum and maximum salaries apply to the services provided as part of the state's statutory program of basic education and exclude supplemental contracts for additional time, responsibility, or incentive pursuant to this section or for enrichment pursuant to RCW 28A.150.276;

(v) A district may pay a salary that exceeds this maximum salary by up to ten percent for full-time certificated instructional staff: Who are educational staff associates; who teach in the subjects of science, technology, engineering, or math; or who teach in the transitional bilingual instruction or special education programs.

(3)(a)(i) Through the 2017-18 school year the actual average salary paid to certificated instructional staff shall not exceed the district's average certificated instructional staff salary used for the state basic education allocations for that school year as determined pursuant to RCW 28A.150.410.

(ii) For the 2018-19 school year, salaries for certificated instructional staff are subject to the limitations in RCW 41.59.800.

(iii) Beginning with the 2019-20 school year, for purposes of

subsection (4) of this section, RCW 28A.150.276, and 28A.505.100, each school district must annually identify the actual salary paid to each certificated instructional staff for services rendered as part of the state's program of basic education.

(b) Through the 2018-19 school year, fringe benefit contributions for certificated instructional staff shall be included as salary under (a)(i) of this subsection only to the extent that the district's actual average benefit contribution exceeds the amount of the insurance benefits allocation, less the amount remitted by districts to the health care authority for retiree subsidies, provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. For purposes of this section, fringe benefits shall not include payment for unused leave for illness or injury under RCW 28A.400.210; employer contributions for old age survivors insurance, workers' compensation, unemployment compensation, and retirement benefits under the Washington state retirement system; or employer contributions for health benefits in excess of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. A school district may not use state funds to provide employer contributions for such excess health benefits.

(c) Salary and benefits for certificated instructional staff in programs other than basic education shall be consistent with the salary and benefits paid to certificated instructional staff in the basic education program.

(4)(a) Salaries and benefits for certificated instructional staff may exceed the limitations in subsection (3) of this section only by separate contract for additional time, for additional responsibilities, or for incentives. Supplemental contracts shall not cause the state to incur any present or future funding obligation. Supplemental contracts must be accounted for by a school district when the district is developing its four-year budget plan under RCW 28A.505.040.

(b) Supplemental contracts shall be subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240, shall not exceed one year, and if not renewed shall not constitute adverse change in accordance with RCW 28A.405.300 through 28A.405.380. No district may enter into a supplemental contract under this subsection for the provision of services which are a part of the basic education program required by Article IX, section 1 of the state Constitution and RCW 28A.150.220.

(c)(i) Beginning September 1, 2019, supplemental contracts for certificated instructional staff are subject to the following additional restrictions: School districts may enter into supplemental contracts only for enrichment activities as defined in and subject to the limitations of RCW 28A.150.276. ~~((The rate the district pays under a supplemental contract may not exceed the hourly rate provided to that same instructional staff for services under the basic education salary identified pursuant to subsection (3)(a)(iii) of this section.))~~

(ii) For a supplemental contract, or portion of a supplemental contract, that is time-based, the hourly rate the district pays may not exceed the hourly rate provided to that same instructional staff for services under the basic education salary identified under subsection (3)(a)(iii) of this section. For a supplemental contract, or portion of a supplemental contract that is not time-based, the contract must document the additional duties, responsibilities, or incentives that are being funded in the contract.

(5) Employee benefit plans offered by any district shall comply with RCW 28A.400.350, 28A.400.275, and 28A.400.280.

Sec. 206. RCW 28A.400.205 and 2017 3rd sp.s. c 13 s 102 are each amended to read as follows:

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(1) School district employees shall be provided an annual salary inflationary increase in accordance with this section.

(a) The inflationary increase shall be calculated by applying the rate of the yearly increase in the inflationary adjustment index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the ~~((2020-21))~~ 2019-20 school year, each school district shall be provided an inflationary adjustment allocation sufficient to grant this inflationary increase.

(b) A school district shall distribute its inflationary adjustment allocation for salaries and salary-related benefits in accordance with the district's collective bargaining agreements and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for inflationary increases on salaries and salary-related benefits.

(c) Any funded inflationary increase shall be included in the salary base used to determine inflationary increases for school employees in subsequent years. For teachers and other certificated instructional staff, the rate of the annual inflationary increase funded for certificated instructional staff shall be applied to the base salary used with the statewide salary allocation methodology established under RCW 28A.150.410 and to any other salary allocation methodologies used to recognize school district personnel costs.

(2) For the purposes of this section, "inflationary adjustment index" means, for any school year, the implicit price deflator for that fiscal year, using the official current base, compiled by the bureau of ~~((labor statistics, United States department of labor for the state of Washington))~~ economic analysis, United States department of commerce.

Sec. 207. RCW 41.56.800 and 2017 3rd sp.s. c 13 s 701 are each amended to read as follows:

(1) A school district collective bargaining agreement for classified staff that is executed or modified after July 6, 2017, and that is in effect for the 2018-19 school year may not ~~((provide school district classified staff with a percentage))~~ increase ~~((to))~~ average total salary for the 2018-19 school year, including supplemental contracts, ~~((that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average classified staff salary is less than the average classified salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average classified staff salary equals the average classified staff salary allocated by the state))~~ in excess of the following:

(a) Annual salary inflationary adjustments based on the rate of the yearly increase of the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle;

(b) Annual experience and education salary step increases according to the salary schedule specified in the agreement;

(c) Salary changes for staffing increases due to enrollment growth or state-funded increases under RCW 28A.150.260; or

(d) School districts with an average total classified staff salary less than the statewide average classified salary allocation used to distribute funds for basic education as estimated by the office of the superintendent of public instruction for the 2018-19 school year may provide salary increases up to the statewide average allocation.

(2) Changes to any terms of an employment contract for nonrepresented employees must comply with the same requirements established in this section.

(3) This section expires August 31, 2019.

Sec. 208. RCW 41.59.800 and 2017 3rd sp.s. c 13 s 702 are each amended to read as follows:

(1) A school district collective bargaining agreement for certificated instructional staff that is executed or modified after July 6, 2017, and that is in effect for the 2018-19 school year may not ~~((provide school district certificated instructional staff with a percentage))~~ increase ~~((to))~~ average total salary for the 2018-19 school year, including supplemental contracts, ~~((that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average certificated instructional staff salary is less than the average certificated instructional staff salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average certificated instructional staff salary equals the average certificated instructional staff salary allocated by the state))~~ in excess of the following:

(a) Annual salary inflationary adjustments based on the rate of the yearly increase of the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle;

(b) Annual experience and education salary step increases according to the salary schedule specified in the agreement;

(c) Salary changes for staffing increases due to enrollment growth or state-funded increases under RCW 28A.150.260;

(d) Salary changes to provide professional learning under RCW 28A.415.430;

(e) Increases related to bonuses for attaining certification from the national board for professional teaching standards;

(f) School districts with an average total certificated instructional staff salary less than the statewide average certificated instructional staff salary allocation used to distribute funds for basic education as estimated by the office of the superintendent of public instruction for the 2018-19 school year may provide salary increases up to the statewide average allocation; or

(g) Salaries for new certificated instructional staff hired in the 2018-19 school year.

(2) Changes to any terms of an employment contract for nonrepresented employees must comply with the same requirements established in this section.

(3) This section expires August 31, 2019.

NEW SECTION. Sec. 209. The superintendent of public instruction shall convene a work group, that must include representatives of diverse school districts and education stakeholders to make recommendations to define the duties and responsibilities that entail a "school day" under the state's statutory program of basic education under RCW 28A.150.220 and 28A.150.260. The recommendations must consider: The professional responsibilities, time, and effort required to provide the state's statutory program of basic education that exceed the required number of instructional hours specified in RCW 28A.150.220, and duties covered by state salary allocations that may be outside of school instructional time including, but not limited to, direct instruction required in RCW 28A.150.220; the necessary preparations, planning, and coordination for that instruction; meeting with and collaborating with parents and other teachers or other staff regarding the program of basic education; and the necessary evaluation of student learning from that instruction. The superintendent shall report the recommendations to the education policy and operating budget committees of the

legislature by January 14, 2019.

PART III: LEVIES

Sec. 301. RCW 28A.150.276 and 2017 3rd sp.s. c 13 s 501 are each amended to read as follows:

(1)(a) Beginning September 1, (~~(2019)~~) 2018, school districts may use local revenues only for documented and demonstrated enrichment of the state's statutory program of basic education as authorized in subsection (2) of this section.

(b) Nothing in this section revises the definition or the state funding of the program of basic education under RCW 28A.150.220 and 28A.150.260.

(c) For purposes of this section, "local revenues" means enrichment levies collected under RCW 84.52.053, (~~(transportation vehicle enrichment levies,)~~) local effort assistance funding received under chapter 28A.500 RCW, and other school district local revenues including, but not limited to, grants, donations, and state and federal payments in lieu of taxes, except that "local revenues" does not include other federal revenues, or local revenues that operate as an offset to the district's basic education allocation under RCW 28A.150.250.

(2)(a) Enrichment activities are permitted under this section if they provide supplementation beyond the state:

(i) Minimum instructional offerings of RCW 28A.150.220 or 28A.150.260;

(ii) Staffing ratios or program components of RCW 28A.150.260, including providing additional staff for class size reduction beyond class sizes allocated in the prototypical school model and additional staff beyond the staffing ratios allocated in the prototypical school formula;

(iii) Program components of RCW 28A.150.200, 28A.150.220, or 28A.150.260; or

(iv) Program of professional learning as defined by RCW 28A.415.430 beyond that allocated pursuant to RCW 28A.150.415.

(b) Permitted enrichment activities consist of:

(i) Extracurricular activities, extended school days, or an extended school year;

(ii) Additional course offerings beyond the minimum instructional program established in the state's statutory program of basic education;

(iii) Activities associated with early learning programs;

(iv) Any additional salary costs attributable to the provision or administration of the enrichment activities allowed under this subsection; and

(v) Additional activities or enhancements that the office of the superintendent of public instruction determines to be a documented and demonstrated enrichment of the state's statutory program of basic education under (a) of this subsection and for which the superintendent approves proposed expenditures during the preballot approval process required by RCW 84.52.053 and 28A.505.240.

(3) In addition to the limitations of subsections (1) and (2) of this section and of RCW 28A.400.200, permitted enrichment activities are subject to the following conditions and limitations:

(a) If a school district spends local revenues for salary costs attributable to the administration of enrichment programs, the portion of administrator salaries attributable to that purpose may not exceed (~~(the proportion)~~) twenty-five percent of the (~~(district's local revenues to its other revenues)~~) total district expenditures for administrator salaries; and

(b) Supplemental contracts under RCW 28A.400.200 are subject to the limitations of this section.

(4) The superintendent of public instruction must adopt rules to implement this section.

Sec. 302. RCW 28A.320.330 and 2017 3rd sp.s. c 13 s 601 are each amended to read as follows:

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1)(a) A general fund for the school district to account for all financial operations of the school district except those required to be accounted for in another fund.

(b) By the (~~(2019-20)~~) 2018-19 school year, a local revenue subfund of its general fund to account for the financial operations of a school district that are paid from local revenues. The local revenues that must be deposited in the local revenue subfund are enrichment levies and transportation vehicle (~~(enrichment)~~) levies collected under RCW 84.52.053, local effort assistance funding received under chapter 28A.500 RCW, and other school district local revenues including, but not limited to, grants, donations, and state and federal payments in lieu of taxes, but do not include other federal revenues, or local revenues that operate as an offset to the district's basic education allocation under RCW 28A.150.250. School districts must track expenditures from this subfund separately to account for the expenditure of each of these streams of revenue by source, and must provide any supplemental expenditure schedules required by the superintendent of public instruction or state auditor for purposes of RCW 43.09.2856.

(2) A capital projects fund shall be established for major capital purposes. All statutory references to a "building fund" shall mean the capital projects fund so established. Money to be deposited into the capital projects fund shall include, but not be limited to, bond proceeds, proceeds from excess levies authorized by RCW 84.52.053, state apportionment proceeds as authorized by RCW 28A.150.270, earnings from capital projects fund investments as authorized by RCW 28A.320.310 and 28A.320.320, and state forest revenues transferred pursuant to subsection (3) of this section.

Money derived from the sale of bonds, including interest earnings thereof, may only be used for those purposes described in RCW 28A.530.010, except that accrued interest paid for bonds shall be deposited in the debt service fund.

Money to be deposited into the capital projects fund shall include but not be limited to rental and lease proceeds as authorized by RCW 28A.335.060, and proceeds from the sale of real property as authorized by RCW 28A.335.130.

Money legally deposited into the capital projects fund from other sources may be used for the purposes described in RCW 28A.530.010, and for the purposes of:

(a) Major renovation and replacement of facilities and systems where periodical repairs are no longer economical or extend the useful life of the facility or system beyond its original planned useful life. Such renovation and replacement shall include, but shall not be limited to, major repairs, exterior painting of facilities, replacement and refurbishment of roofing, exterior walls, windows, heating and ventilating systems, floor covering in classrooms and public or common areas, and electrical and plumbing systems.

(b) Renovation and rehabilitation of playfields, athletic fields, and other district real property.

(c) The conduct of preliminary energy audits and energy audits of school district buildings. For the purpose of this section:

(i) "Preliminary energy audits" means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption, and major energy using systems of the building.

(ii) "Energy audit" means a survey of a building or complex which identifies the type, size, energy use level, and major energy using systems; which determines appropriate energy conservation maintenance or operating procedures and assesses any need for the acquisition and installation of energy conservation measures,

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including solar energy and renewable resource measures.

(iii) "Energy capital improvement" means the installation, or modification of the installation, of energy conservation measures in a building which measures are primarily intended to reduce energy consumption or allow the use of an alternative energy source.

(d) Those energy capital improvements which are identified as being cost-effective in the audits authorized by this section.

(e) Purchase or installation of additional major items of equipment and furniture: PROVIDED, That vehicles shall not be purchased with capital projects fund money.

(f)(i) Costs associated with implementing technology systems, facilities, and projects, including acquiring hardware, licensing software, and online applications and training related to the installation of the foregoing. However, the software or applications must be an integral part of the district's technology systems, facilities, or projects.

(ii) Costs associated with the application and modernization of technology systems for operations and instruction including, but not limited to, the ongoing fees for online applications, subscriptions, or software licenses, including upgrades and incidental services, and ongoing training related to the installation and integration of these products and services. However, to the extent the funds are used for the purpose under this subsection (2)(f)(ii), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations.

(g) Major equipment repair, painting of facilities, and other major preventative maintenance purposes. However, to the extent the funds are used for the purpose under this subsection (2)(g), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations. Based on the district's most recent two-year history of general fund maintenance expenditures, funds used for this purpose may not replace routine annual preventative maintenance expenditures made from the district's general fund.

(3) A debt service fund to provide for tax proceeds, other revenues, and disbursements as authorized in chapter 39.44 RCW. State forestland revenues that are deposited in a school district's debt service fund pursuant to RCW 79.64.110 and to the extent not necessary for payment of debt service on school district bonds may be transferred by the school district into the district's capital projects fund.

(4) An associated student body fund as authorized by RCW 28A.325.030.

(5) Advance refunding bond funds and refunded bond funds to provide for the proceeds and disbursements as authorized in chapter 39.53 RCW.

Sec. 303. RCW 28A.500.015 and 2017 3rd sp.s. c 13 s 206 are each amended to read as follows:

(1) Beginning in calendar year 2019 and each calendar year thereafter, the state must provide state local effort assistance funding to supplement school district enrichment levies as provided in this section.

(2) For an eligible school district, annual local effort assistance funding is equal to the school district's maximum local effort assistance multiplied by a fraction equal to the school district's actual enrichment levy divided by the school district's maximum allowable enrichment levy.

(3) The state local effort assistance funding provided under this

section is not part of the state's program of basic education deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Eligible school district" means a school district whose maximum allowable enrichment levy divided by the school district's total student enrollment in the prior school year is less than the state local effort assistance threshold.

(b) For the purpose of this section, "inflation" means ((inflation as defined in RCW 84.55.005)), for any school year, the rate of the yearly increase of the previous calendar year's annual average consumer price index for all urban consumers, Seattle area, using the official current base compiled by the bureau of labor statistics, United States department of labor.

(c) "Maximum allowable enrichment levy" means the maximum levy permitted by RCW 84.52.0531.

(d) "Maximum local effort assistance" means ~~((the school district's student enrollment in the prior school year multiplied by))~~ the difference ~~((of))~~ between the following:

(i) The school district's actual prior school year enrollment multiplied by the state local effort assistance threshold; and ((#))

(ii) The school district's maximum allowable enrichment levy ((divided by the school district's student enrollment in the prior school year)).

(e) "Prior school year" means the most recent school year completed prior to the year in which the state local effort assistance funding is to be distributed.

(f) "State local effort assistance threshold" means one thousand five hundred dollars per student, ~~((adjusted))~~ increased for inflation beginning in calendar year 2020.

(g) "Student enrollment" means the average annual ~~((resident))~~ full-time equivalent student enrollment.

(5) For districts in a high/nonhigh relationship, the enrollments of the nonhigh students attending the high school shall only be counted by the nonhigh school districts for purposes of funding under this section.

(6) For school districts participating in an innovation academy cooperative established under RCW 28A.340.080, enrollments of students attending the academy shall be adjusted so that each participant district receives its proportional share of student enrollments for purposes of funding under this section.

Sec. 304. RCW 28A.505.240 and 2017 3rd sp.s. c 13 s 204 are each amended to read as follows:

(1) As required by RCW 84.52.053(4), before a school district may submit an enrichment levy ~~((including a transportation vehicle enrichment levy,))~~ under RCW 84.52.053 to the voters, it must have received approval from the office of the superintendent of public instruction of an expenditure plan for the district's enrichment levy and other local revenues as defined in RCW 28A.150.276. Within thirty days after receiving the plan the office of the superintendent of public instruction must notify the school district whether the spending plan is approved. If the office of the superintendent of public instruction rejects a district's proposed spending plan, then the district may submit a revised spending plan, and the superintendent must approve or reject the revised submission within thirty days. The office of the superintendent of public instruction may approve a spending plan only if it determines that the enrichment levy and other local revenues as defined in RCW 28A.150.276(1) will be used solely for permitted enrichment activities as provided in RCW 28A.150.276(2).

(2)(a) Except as provided in (b) of this subsection, after a school district has received voter approval for a levy for an enrichment levy under RCW 84.52.053, a school district may change its spending plan for the voter-approved levy by

submitting a revised spending plan to the office of the superintendent of public instruction for review and approval. To revise a previously approved spending plan, the district must provide notice and an opportunity for review and comment at an open meeting of the school board, and the board must adopt the revised spending plan by resolution. The board must then submit the plan to the office of the superintendent of public instruction. Within thirty days after receiving the revised spending plan the office must notify the school district whether the revised spending plan is approved. The office of the superintendent of public instruction may approve a revised spending plan only if it determines that the enrichment levy and other local revenues as defined in RCW 28A.150.276(1) will be used solely for permitted enrichment activities as provided in RCW 28A.150.276(2).

(b) If the superintendent has approved expenditures for specific purposes under (a) of this subsection, a district may change the relative amounts to be spent for those respective purposes for the same levy in subsequent years without having to first receive approval for the change from the office of the superintendent of public instruction if the district adopts the change as part of its annual budget proposal after a public hearing under RCW 28A.505.060.

(3) This section applies to taxes levied for collection beginning in calendar year 2020 and thereafter.

NEW SECTION. Sec. 305. A new section is added to chapter 84.52 RCW to read as follows:

For districts in a high/nonhigh relationship, if the high school district is subject to the maximum per pupil limit under RCW 84.52.0531, the high school district's maximum levy amount must be reduced by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy.

Sec. 306. RCW 84.52.053 and 2017 3rd sp.s. c 13 s 201 are each amended to read as follows:

(1) The limitations imposed by RCW 84.52.050 through 84.52.056, and 84.52.043 shall not prevent the levy of taxes by school districts, when authorized so to do by the voters of such school district in the manner and for the purposes and number of years allowable under Article VII, section 2(a) and Article IX, section 1 of the Constitution of this state. Elections for such taxes shall be held in the year in which the levy is made or, in the case of propositions authorizing two-year through four-year levies for enrichment funding for a school district, authorizing two-year levies for transportation vehicle funds established in RCW 28A.160.130 (~~through calendar year 2019, authorizing two-year levies for transportation vehicle enrichment beginning with calendar year 2020,~~) or authorizing two-year through six-year levies to support the construction, modernization, or remodeling of school facilities, which includes the purposes of RCW 28A.320.330(2) (f) and (g), in the year in which the first annual levy is made.

(2)(a) Once additional tax levies have been authorized for enrichment funding for a school district for a two-year through four-year period as provided under subsection (1) of this section, no further additional tax levies for enrichment funding for the district for that period may be authorized, except for additional levies to provide for subsequently enacted increases affecting the district's maximum levy.

(b) Notwithstanding (a) of this subsection, any school district that is required to annex or receive territory pursuant to a dissolution of a financially insolvent school district pursuant to RCW 28A.315.225 may call either a replacement or supplemental levy election within the school district, including the territory

annexed or transferred, as follows:

(i) An election for a proposition authorizing two-year through four-year levies for enrichment funding for a school district may be called and held before the effective date of dissolution to replace existing enrichment levies and to provide for increases due to the dissolution.

(ii) An election for a proposition authorizing additional tax levies may be called and held before the effective date of dissolution to provide for increases due to the dissolution.

(iii) In the event a replacement levy election under (b)(i) of this subsection is held but does not pass, the affected school district may subsequently hold a supplemental levy election pursuant to (b)(ii) of this subsection if the supplemental levy election is held before the effective date of dissolution. In the event a supplemental levy election is held under (b)(ii) of this subsection but does not pass, the affected school district may subsequently hold a replacement levy election pursuant to (b)(i) of this subsection if the replacement levy election is held before the effective date of dissolution. Failure of a replacement levy or supplemental levy election does not affect any previously approved and existing enrichment levy within the affected school district or districts.

(c) For the purpose of applying the limitation of this subsection (2), a two-year through six-year levy to support the construction, modernization, or remodeling of school facilities shall not be deemed to be a tax levy for enrichment funding for a school district.

(3) A special election may be called and the time therefor fixed by the board of school directors, by giving notice thereof by publication in the manner provided by law for giving notices of general elections, at which special election the proposition authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "yes" and those opposed thereto to vote "no."

(4)(a) Beginning September 1, (~~2019~~) 2018, school districts may use enrichment levies (~~(and transportation vehicle enrichment levies)~~) solely to enrich the state's statutory program of basic education as authorized under RCW 28A.150.276.

(b) Beginning with propositions for enrichment levies (~~(and transportation vehicle enrichment levies)~~) for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan from the superintendent of public instruction under RCW 28A.505.240 before submission of the proposition to the voters.

Sec. 307. RCW 84.52.0531 and 2017 3rd sp.s. c 13 s 203 are each amended to read as follows:

(1) Beginning with taxes levied for collection in 2019, the maximum dollar amount which may be levied by or for any school district for enrichment levies under RCW 84.52.053 is equal to the lesser of one dollar and fifty cents per thousand dollars of the assessed value of property in the school district or the maximum per-pupil limit.

(2) The definitions in this subsection apply to this section unless the context clearly requires otherwise.

(a) For the purpose of this section, "inflation" means ((inflation as defined in RCW 84.55.005)), for any school year, the rate of the yearly increase of the previous calendar year's annual average consumer price index for all urban consumers, Seattle area, using the official current base compiled by the bureau of labor statistics, United States department of labor.

(b) "Maximum per-pupil limit" means two thousand five hundred dollars, multiplied by the number of average annual (~~resident~~) full-time equivalent students enrolled in the school district in the prior school year. Beginning with property taxes levied for collection in 2020, the maximum per-pupil limit shall

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be increased by inflation.

(c) "Prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.

(3) For districts in a high/nonhigh relationship, the enrollments of the nonhigh students attending the high school shall only be counted by the nonhigh school districts for purposes of funding under this section.

(4) For school districts participating in an innovation academy cooperative established under RCW 28A.340.080, enrollments of students attending the academy shall be adjusted so that each participant district receives its proportional share of student enrollments for purposes of funding under this section.

(5) Beginning with propositions for enrichment levies for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan under RCW 28A.505.240 before submission of the proposition to the voters.

~~((4))~~ (6) The superintendent of public instruction shall develop rules and regulations and inform school districts of the pertinent data necessary to carry out the provisions of this section.

~~((5))~~ (7) Beginning with taxes levied for collection in ~~(2020)~~ 2018, enrichment levy revenues must be deposited in a separate subfund of the school district's general fund pursuant to RCW 28A.320.330, and for the 2018-19 school year are subject to the restrictions of RCW 28A.150.276 and the audit requirements of RCW 43.09.2856.

~~((6))~~ (8) Funds collected from ~~(transportation vehicle enrichment levies shall not be subject to the levy limitations in)~~ levies for transportation vehicles, construction, modernization, or remodeling of school facilities as established in RCW 84.52.053 are not subject to the levy limitations in subsections (1) through (5) of this section.

PART IV: OTHER POLICIES

NEW SECTION. Sec. 401. (1) For the 2018-19 and 2019-20 school years, the office of the superintendent of public instruction shall allocate a hold-harmless payment to school districts if the sum of (b) of this subsection is greater than the sum of (a) of this subsection for either of the respective school years or if a school district meets the criteria under subsection (2) of this section.

(a) The current school year is calculated as the sum of (a)(i) through (iii) of this subsection using the enrollments and values in effect for that school year for the school district's:

(i) Formula-driven state allocations in part V of the state omnibus appropriations act for these programs: General apportionment, employee compensation adjustments, pupil transportation, special education programs, institutional education programs, transitional bilingual programs, highly capable, and learning assistance programs;

(ii) Local effort assistance funding received under chapter 28A.500 RCW; and

(iii) The lesser of the school district's voter-approved enrichment levy collection or the maximum levy authority provided under RCW 84.52.0531 for the previous calendar year.

(b) The baseline school year is calculated as the sum of (b)(i) through (iii) of this subsection using the current school year enrollments and the values in effect during the 2017-18 school year for the school district's:

(i) Formula-driven state allocations in part V of the state omnibus appropriations act for these programs: General apportionment, employee compensation adjustments, pupil transportation, special education programs, institutional education programs, transitional bilingual programs, highly capable, and learning assistance programs;

(ii) Local effort assistance funding received under chapter 28A.500 RCW; and

(iii) Maintenance and operation levy collection under RCW 84.52.0531 in the 2017 calendar year.

(2) From amounts appropriated in this act, the superintendent of public instruction must prioritize hold harmless payments to districts that meet both the following criteria:

(a) The sum of the school district's enrichment levy under RCW 84.52.0531 and 2017 3rd sp.s. c 13 s 203 and local effort assistance under RCW 28A.500.015 is less than half of the sum of the maintenance and operations levy and local effort assistance provided under law as it existed on January 1, 2017. For purposes of the calculation in this subsection, the maintenance and operations levy is limited to the lesser of the voter-approved levy as of January 1, 2017, or the maximum levy under law as of January 1, 2017; and

(b) The adjusted assessed value of property within the school district as calculated by the department of revenue is greater than twenty billion dollars in calendar year 2017.

(3) Districts eligible for hold-harmless payments under subsection (1) of this section shall receive the difference between subsection (1)(b) and (a) of this section through the apportionment payment process in RCW 28A.510.250.

(4) The voters of the school district must approve an enrichment levy under RCW 84.52.0531 to be eligible for a hold-harmless payment under this section.

(5) This section expires December 31, 2020.

Sec. 402. RCW 28A.150.415 and 2017 3rd sp.s. c 13 s 105 are each amended to read as follows:

(1) Beginning with the ~~((2018-19))~~ 2019-20 school year, the legislature shall begin phasing in funding for professional learning days for certificated instructional staff. The state allocation must be used solely for the purpose of providing professional learning. At a minimum, the state must allocate funding for:

(a) One professional learning day in the ~~((2018-19))~~ 2019-20 school year;

(b) Two professional learning days in the ~~((2019-20))~~ 2020-21 school year; and

(c) Three professional learning days in the ~~((2020-21))~~ 2021-22 school year.

(2) The office of the superintendent of public instruction shall calculate each school district's professional learning allocation as provided in subsection (1) of this section separate from the minimum state allocation for salaries as specified in RCW 28A.150.410 and associated fringe benefits on the apportionment reports provided to each local educational agency. The professional learning allocation shall be equal to the proportional increase resulting from adding the professional learning days provided in subsection (1) of this section to the required minimum number of school days in RCW 28A.150.220(5)(a) applied to the school district's minimum state allocation for salaries and associated fringe benefits for certificated instructional staff as specified in the omnibus appropriations act. Professional learning allocations shall be included in per-pupil calculations for programs funded on a per student rate calculation.

(3) Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

~~((3))~~ (4) The professional learning days must meet the definitions and standards provided in RCW 28A.415.430, 28A.415.432, and 28A.415.434.

(5) The use of the funding provided under this section must be audited as part of the regular financial audits of school districts by the state auditor's office to ensure compliance with the

limitations and conditions of this section.

Sec. 403. RCW 28A.710.280 and 2016 c 241 s 128 are each amended to read as follows:

(1) The legislature intends that state funding for charter schools be distributed equitably with state funding provided for other public schools.

(2) For eligible students enrolled in a charter school established and operating in accordance with this chapter, the superintendent of public instruction shall transmit to each charter school an amount calculated as provided in this section and based on the statewide average (~~(staff mix factor)~~) salaries set forth in RCW 28A.150.410 for certificated instructional staff adjusted by the regionalization factor that applies to the school district in which the charter school is geographically located, including any enrichment to those statutory formulae that is specified in the omnibus appropriations act. The amount must be the sum of (a) and (b) of this subsection(~~(, as applicable)~~).

(a) The superintendent shall, for purposes of making distributions under this section, separately calculate and distribute to charter schools moneys appropriated for general apportionment under the same ratios as in RCW 28A.150.260.

(b) The superintendent also shall, for purposes of making distributions under this section, and in accordance with the applicable formulae for categorical programs specified in (b)(i) through (v) of this subsection (2) and any enrichment to those statutory formulae that is specified in the omnibus appropriations act, separately calculate and distribute moneys appropriated by the legislature to charter schools for:

(i) Supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065;

(ii) Supplemental instruction and services for eligible and exited students whose primary language is other than English through the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080;

(iii) The opportunity for an appropriate education at public expense as defined by RCW 28A.155.020 for all eligible students with disabilities as defined in RCW 28A.155.020;

(iv) Programs for highly capable students under RCW 28A.185.010 through 28A.185.030; and

(v) Pupil transportation services to and from school in accordance with RCW 28A.160.150 through 28A.160.180. Distributions for pupil transportation must be calculated on a per eligible student basis based on the allocation for the previous school year to the school district in which the charter school is located.

(3) The superintendent of public instruction must adopt rules necessary for the distribution of funding required by this section and to comply with federal reporting requirements.

Sec. 404. RCW 28A.715.040 and 2013 c 242 s 5 are each amended to read as follows:

(1) A school that is the subject of a state-tribal education compact must report student enrollment. Reporting must be done in the same manner and use the same definitions of enrolled students and annual average full-time equivalent enrollment as is required of school districts. The reporting requirements in this subsection are required for a school to receive state or federal funding that is allocated based on student characteristics.

(2) Funding for a school that is the subject of a state-tribal education compact shall be apportioned by the superintendent of public instruction according to the schedule established under RCW 28A.510.250, including general apportionment, special education, categorical, and other nonbasic education moneys. Allocations for certificated instructional staff must be based on

the statewide average ((staff mix ratio of the school, as calculated by the superintendent of public instruction using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act)) salary set forth in RCW 28A.150.410, adjusted by the regionalization factor that applies to the school district in which the school is located. Allocations for classified staff and certificated administrative staff must be based on the salary allocations of the school district in which the school is located(~~(, subject to conditions and limitations established by the omnibus appropriations act)~~) as set forth in RCW 28A.150.410, adjusted by the regionalization factor that applies to the school district in which the school is located. Nothing in this section requires a school that is the subject of a state-tribal education compact to use the statewide salary allocation schedule. Such a school is eligible to apply for state grants on the same basis as a school district.

(3) Any moneys received by a school that is the subject of a state-tribal education compact from any source that remain in the school's accounts at the end of any budget year must remain in the school's accounts for use by the school during subsequent budget years.

Sec. 405. RCW 72.40.028 and 2009 c 381 s 7 are each amended to read as follows:

All teachers employed by the Washington state center for childhood deafness and hearing loss and the state school for the blind shall meet all certification requirements and the programs shall meet all accreditation requirements and conform to the standards defined by law or by rule of the Washington professional educator standards board or the office of the state superintendent of public instruction. The superintendent and the director, by rule, may adopt additional educational standards for their respective facilities. Salaries of all certificated employees shall be (~~(set so as to conform to and be contemporary with salaries paid to other certificated employees of similar background and experience in)~~) based on the statewide average salary set forth in RCW 28A.150.410, adjusted by the regionalization factor that applies to the school district in which the program or facility is located. The superintendent and the director may provide for provisional certification for teachers in their respective facilities including certification for emergency, temporary, substitute, or provisional duty.

Sec. 406. RCW 43.09.2856 and 2017 3rd sp.s. c 13 s 503 are each amended to read as follows:

(1) Beginning with the 2019-20 school year, to ensure that school district local revenues are used solely for purposes of enriching the state's statutory program of basic education, the state auditor's regular financial audits of school districts must include a review of the expenditure of school district local revenues for compliance with RCW 28A.150.276, including the spending plan approved by the superintendent of public instruction under RCW 28A.505.240 and its implementation, and any supplemental contracts entered into under RCW 28A.400.200.

(2) If an audit under subsection (1) of this section results in findings that a school district has failed to comply with these requirements, then within ninety days of completing the audit the auditor must report the findings to the superintendent of public instruction, the office of financial management, and the education and operating budget committees of the legislature.

(3) The use of the state allocation provided for professional learning under RCW 28A.150.415 must be audited as part of the regular financial audits of school districts by the state auditor's office to ensure compliance with the limitations and conditions of RCW 28A.150.415.

SIXTIETH DAY, MARCH 8, 2018

2018 REGULAR SESSION

NEW SECTION. Sec. 407. The sum of twelve million dollars is appropriated for the fiscal year ending June 30, 2019, from the general fund to the superintendent of public instruction solely for hold harmless payments for purposes of section 401(2) of this act.

Sec. 408. RCW 28A.505.140 and 2017 3rd sp.s. c 13 s 602 are each amended to read as follows:

(1) Notwithstanding any other provision of law, the superintendent of public instruction shall adopt such rules as will ensure proper budgetary procedures and practices, including monthly financial statements consistent with the provisions of RCW 43.09.200, and this chapter. By the ((2019-20)) 2018-19 school year, the rules must require school districts to provide separate accounting of state and local revenues to expenditures.

(2) If the superintendent of public instruction determines upon a review of the budget of any district that said budget does not comply with the budget procedures established by this chapter or by rules adopted by the superintendent of public instruction, or the provisions of RCW 43.09.200, the superintendent shall give written notice of this determination to the board of directors of the local school district.

(3) The local school district, notwithstanding any other provision of law, shall, within thirty days from the date the superintendent of public instruction issues a notice pursuant to subsection (2) of this section, submit a revised budget which meets the requirements of RCW 43.09.200, this chapter, and the rules of the superintendent of public instruction.

NEW SECTION. Sec. 409. A new section is added to chapter 28A.320 RCW to read as follows:

(1) Public schools may develop curricula that:

(a) Links student learning with engagement in seasonal or nonseasonal outdoor-based activities, including activities related to academic requirements in science, health and fitness, and career and technical education;

(b) Aligns with the essential academic learning requirements under RCW 28A.655.070 that are a component of the state's instructional program of basic education; and

(c) Includes locally administered competency based assessments that align with the Washington state learning standards.

(2) Public schools that develop curricula under this section may request authorization from the superintendent of public instruction as provided in section 410 of this act to consider student participation in seasonal or nonseasonal outdoor-based activities as instructional days for the purposes of basic education requirements established in RCW 28A.150.220(5).

NEW SECTION. Sec. 410. A new section is added to chapter 28A.300 RCW to read as follows:

(1) The superintendent of public instruction, subject to conformity with application or other requirements adopted by rule, shall approve requests by public schools as provided in section 409 of this act to consider student participation in seasonal or nonseasonal outdoor-based activities as instructional days for the purposes of basic education requirements established in RCW 28A.150.220(5).

(2) The superintendent of public instruction shall adopt rules to implement this section.

NEW SECTION. Sec. 411. The following acts or parts of acts are each repealed:

(1)RCW 28A.415.020 (Credit on salary schedule for approved in-service training, continuing education, and internship) and 2011 1st sp.s. c 18 s 5, 2007 c 319 s 3, 2006 c 263 s 808, 1995 c 284 s 2, 1990 c 33 s 415, & 1987 c 519 s 1;

(2)RCW 28A.415.023 (Credit on salary schedule for approved in-service training, continuing education, or internship—Course content—Rules) and 2012 c 35 s 6 & 2011 1st sp.s. c 18 s 6; and

(3)RCW 28A.415.024 (Credit on salary schedule—Accredited institutions—Verification—Penalty for submitting credits from unaccredited institutions) and 2006 c 263 s 809 & 2005 c 461 s 1.

NEW SECTION. Sec. 412. Sections 303 and 307 of this act take effect January 1, 2019."

Correct the title.

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

Senator Wellman moved that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6362.

Senator Wellman spoke in favor of the motion.

Senator Fain spoke against the motion.

The President declared the question before the Senate to be the motion by Senator Wellman that the Senate concur in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6362.

The motion by Senator Wellman carried and the Senate concurred in the House amendment(s) to Engrossed Second Substitute Senate Bill No. 6362 by rising vote.

Senator Conway spoke in favor of passage of the bill as recommended by the Conference Committee.

Senators Baumgartner, Braun and Zeiger spoke against passage of the bill as recommended by the Conference Committee.

Senator Becker spoke on the passage of the bill as recommended by the Conference Committee.

POINT OF INQUIRY

Senator Padden: "Thank you Mr. President. Will the Senator from the 25th yield to a question?"

Senator Zeiger: "I will."

Senator Padden: "Senator Zeiger could you please relate to me because I've not been part of these negotiations, what the agreement was and what the difference from the agreement and what the bill is that we have in front of us?"

Senator Zeiger: "I would defer to the gentleman from the 20th District if that is alright?"

Senator Padden: "With your permission."

President Habib: "Senator Padden, would you like to give remarks on this bill?"

Senator Padden: "I asked Senator Zeiger to yield to a question, Mr. President. He indicated that Senator Braun would be better able to answer the question."

President Habib: "Senator Braun, please proceed."

Senator Braun: "Thank you Mr. President. So, it's gone on for a while and I'm a little tired but I will try and relate the changes from memory. There were four things that we were

working on. We started with one, ironically that one is the one that we didn't even negotiate a change to and I got uncomfortable with that but we did three other things that my understanding is all four leads of the caucuses agreed on. And that is we add a small change in the underlying language that said there is a concern by the districts that it didn't differentiate between paid supplemental, or time-based supplemental contracts and nontime-based supplemental contracts. I think the language allowed what we intended but it wasn't as clear as it could be. There is an effort I think originally with the Senate Democrats to address that language and they got closer but it left an opening that could lead to the reinvention of tri or tri-like supplemental contracts. We talked about and came up with good language to allow the school districts flexibility but doesn't allow that to happen. And the other two items are, one has to do with, and this is probably the biggest one from a legal perspective has to do with reporting on salaries. Again this is as we tried to perfect the bill in the trailer bill. When you, the original bill started the full salaries in school year 19/20, as you know, we pulled that back and started full funding in 18/19. But what wasn't done is pulling back the reporting that is required to go along with that, that is very important, that the court understands that we are tracking those salaries and the state is fully funding those salaries. And while there is some confusion on this issue, ultimately we got a general understanding. And then, frankly, when we all understood the issue, led to general agreement pretty quickly. And this is probably the biggest issue from a court perspective and from a McCleary perspective. Third one is simply a change from OSPI that says their vendor that will put together the reporting on a different issue can't get it done by the date in 18, we moved the date up from '19 to '18, when we fully funded, they could do part, this has to do with creating subaccounts for local money and for state money. They can do the work that creates the subaccounts and have that done by the new date but they are not able to get the additional reporting coding done to do what the bill requires. So they simply asked that we bifurcate those tasks into one that can be done as asked as requested in the bill and one that can be done a year later when the expect the coding to be available. So these as you can see Senator Padden relatively straight forward, just good blocking and tacking policy and I think we would have been better served both from a policy standpoint and an institutional standpoint to do these things. Thank you."

Senators Ranker and Wellman spoke in favor of passage of the bill as recommended by the Conference Committee.

Senators Padden, Short and Honeyford spoke against passage of the bill as recommended by the Conference Committee.

Senator Bailey spoke on the passage of the bill as recommended by the Conference Committee.

Senator Becker announced a meeting of the Republican Caucus.

MOTION

At 7:48 p.m., on motion of Senator Lias, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 8:02 p.m. by President Habib.

The Senate resumed consideration of Engrossed Second Substitute Senate Bill No. 6362.

Senator Fain spoke against passage of the bill as recommended by the Conference Committee.

POINT OF ORDER

Senator Baumgartner: "Thank you Mr. President. I have great concern about this bill, not knowing what is in it. Would it still be possible, do I have the right to have the entire bill read in full?"

RULING BY THE PRESIDENT

President Habib: "Senator Baumgartner, we are on, I actually want to be clear, and I wasn't, so, the norm is to not actually have any debate when a concurrence has happened. As you all know, you have been here, almost all of you, longer than I have. So, this was actually an extraordinary circumstance and so we have had the debate. It was very important to me and I know to all of us that we had the opportunity for members to learn about the changes in the House and so I am glad we had the opportunity to do that. And Senator Fain gave remarks on behalf of your caucus and the question now before the..."

REMARKS BY THE PRESIDENT

President Habib: "You have not been recognized. There is a few things. Number one, Senator Becker, you've spoken on final passage, so has Senator Padden and I believe as I walked in, so has Senator Baumgartner. The one, excuse me, excuse me, I'm speaking right now. You've not been recognized. Now, excuse me. You are out of order. The agreement that was made, prior to the brief recess, was that every senator, and I feel very strongly that every senator should have the opportunity to learn the changes that were made. Things are very, moving very quickly, and I recognize that it is unfortunate that there was not more time. The agreement was made by the floor leader of the minority and majority party caucuses that there would be a maximum of one speech on each side. Recognizing there is no speakers on the democratic side that want to speak..."

The President declared the question before the Senate to be the final passage of Engrossed Second Substitute Senate Bill No. 6362, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 6362, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 25; Nays, 23; Absent, 1; Excused, 0.

Voting yea: Senators Billig, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, McCoy, Mullet, Nelson, Palumbo, Pedersen, Ranker, Rolfes, Saldaña, Takko, Van De Wege and Wellman

Voting nay: Senators Angel, Bailey, Becker, Braun, Brown, Ericksen, Fain, Fortunato, Hawkins, Honeyford, King, Miloscia, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson and Zeiger

Absent: Senator Baumgartner

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6362, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 6, 2018

MR. PRESIDENT:

The House receded from its amendment(s) to ENGROSSED SUBSTITUTE SENATE BILL NO. 6095. Under suspension of the rules, the bill was returned to second reading for the purposes of amendment(s). The House adopted the following amendment(s): 6095-S.E AMH THAR H5170.3, and passed the bill as amended by the House.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A supplemental capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this act and ending June 30, 2019, out of the several funds specified in this act.

PART 1
GENERAL GOVERNMENT

Sec. 1001. 2018 c 2 s 1005 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Community Economic Revitalization Board (30000097)

Appropriation:

State Taxable Building Construction

Table with 2 columns: Account—State, Amount. Rows include Public Facility Construction Loan Revolving, Subtotal Appropriation, Prior Biennia (Expenditures), Future Biennia (Projected Costs), and TOTAL.

Sec. 1002. 2018 c 2 s 1006 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2017-19 Housing Trust Fund Program (30000872)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$58,000,000 of the state taxable building construction account—state appropriation, ((~~\$43,400,000~~)) \$44,131,000 of the state building construction account—state appropriation, and ((~~\$5,370,000~~)) \$8,658,000 of the Washington housing trust account—state appropriation are provided solely for affordable housing and preservation of affordable housing. Of the amounts in this subsection:

(a) \$24,370,000 is provided solely for housing projects that provide supportive housing and case-management services to persons with chronic mental illness. The department must prioritize low-income supportive housing unit proposals that provide services or include a partner community behavioral health treatment provider;

(b) \$10,000,000 is provided solely for housing preservation grants or loans to be awarded competitively. The grants may be provided for major building improvements, preservation, and system replacements, necessary for the existing housing trust fund portfolio to maintain long-term viability. The department must require that a capital needs assessment is performed to

estimate the cost of the preservation project at contract execution. Funds may not be used to add or expand the capacity of the property. To receive grants, housing projects must meet the following requirements:

- (i) The property is more than fifteen years old;
(ii) At least 50 percent of the housing units are occupied by families and individuals at or below 30 percent area median income.
(iii) The improvements will result in reduction of operating or utilities costs, or both; and
(iv) Other criteria that the department considers necessary to achieve the purpose of this program.

(c) \$5,000,000 is provided solely for housing projects that benefit people at or below 80 percent of the area median income who have been displaced by a natural disaster declared by the governor, including people who have been displaced within the last two biennia.
(d) \$1,000,000 of the Washington housing trust account—state appropriation is provided solely for the department to work with the communities of concern commission to focus on creating capital assets that will help reduce poverty and build stronger and more sustainable communities using the communities' cultural understanding and vision. The funding must be used for predevelopment costs for capital projects identified by the commission and for other activities to assist communities in developing capacity to create community-owned capital assets.

(e) \$1,000,000 of the Washington housing trust account—state appropriation is provided solely for a nonprofit, public development authority, local government, or housing authority to purchase the south annex properties located at 1531 Broadway, 1534 Broadway, and 909 East Pine street owned by the state board of community and technical colleges. The property must be used to provide services and housing for homeless youth and young adults.

(f) ((~~\$21,987,000~~)) \$26,006,000 is provided solely for the following list of housing projects:

- (i) Cross Laminated Timber Spokane Housing
(ii) El Centro de la Raza
(iii) Highland Village Preservation
(iv) King County Modular Housing Project
(v) Nisqually Tribal Housing
(vi) Othello Homesight Community Center
(vii) Parkview Apartments Affordable Housing
(viii) Supported Housing and Employment (Longview)

(ix) \$2,500,000 is provided solely for grants to purchase low-income mobile home parks. Up to \$2,500,000 is for the Firs Mobile Home Park. If the Firs Mobile Home Park is not purchased, the amount provided in this subsection shall lapse.

(x) \$6,000,000 is provided solely for grants for high quality low-income housing projects that will quickly move people from homelessness into secure housing, and are significantly less expensive to construct than traditional housing. It is the intent of the legislature that these grants serve projects with a total project development cost per housing unit of less than \$125,000, excluding the value of land, and with a commitment by the applicant to maintain the housing units for at least a twenty-five year period. Amounts provided that are subject to this subsection must be used to plan, predesign, design, provide technical assistance and financial services, purchase land for, and build innovative low-income housing units. \$3,000,000 of the appropriation that is subject to this subsection is provided solely

for innovative affordable housing in Shelton and \$3,000,000 of the appropriation that is subject to this subsection is provided solely for innovative affordable housing for veterans in Orting. Mental health and substance abuse counseling services must be offered to residents of housing projects supported by appropriations in this subsection. \$500,000 of the appropriation for housing units in Shelton can be released for purchase of land, planning, or predesign services before the project is fully funded. \$500,000 of the appropriation for housing units in Orting can be released for purchase of land, planning, or predesign services before the project is fully funded.

((viii) ~~\$6,000,000~~) (xi) \$7,290,000 is provided solely for grants to the following organizations using innovative methods to address homelessness: ((~~\$3,000,000~~) \$4,290,000 for THA Arlington drive youth campus in Tacoma and \$3,000,000 for a King county housing project.

(xii) \$1,500,000 is provided solely for Valley Cities modular housing project in Auburn.

(g) Of the amounts appropriated remaining after (a) through (f) of this subsection, the department must allocate the funds as follows:

- (i) 10 percent is provided solely for housing projects that benefit veterans;
- (ii) 10 percent is provided solely for housing projects that benefit homeownership;
- (iii) 5 percent is provided solely for housing projects that benefit people with developmental disabilities;
- (iv) The remaining amount is provided solely for projects that serve low-income and special needs populations in need of housing, including, but not limited to, homeless families with children, homeless youth, farmworkers, and seniors.

(2) In evaluating projects in this section, the department must give preference for applications based on some or all of the criteria in RCW 43.185.070(5).

(3) The department must strive to allocate all of the amounts appropriated in this section within the 2017-2019 fiscal biennium in the manner prescribed in subsection (1) of this section. However, if upon review of applications the department determines there are not adequate suitable projects in a category, the department may allocate funds to projects serving other low-income and special needs populations, provided those projects are located in an area with an identified need for the type of housing proposed.

Appropriation:

State Building Construction Account—State...((\$43,400,000))	<u>\$44,131,000</u>
State Taxable Building Construction Account—	
State	\$58,000,000
Washington Housing Trust Account—State.....((\$5,370,000))	<u>\$8,658,000</u>
Subtotal Appropriation	((\$106,770,000))
	<u>\$110,789,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$400,000,000
TOTAL	<u>\$506,770,000</u>
	<u>\$510,789,000</u>

Sec. 1003. 2017 3rd sp.s. c 4 s 1003 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
Local and Community Projects (20064008)

The reappropriation in this section is subject to the following conditions and limitations:

- (1) The reappropriation is subject to the provisions in section

131, chapter 488, Laws of 2005.

(2) \$235,000 of the reappropriation is provided solely to the Spokane river forum. The department shall not execute a contract with the grant recipient unless the Spokane river forum is in receipt of all permits by ((~~March~~) June 1, 2018. If the terms and conditions of this subsection are not met by ((~~March~~) June 1, 2018, the funding provided in this subsection shall lapse.

Reappropriation:

State Building Construction Account—State	\$235,000
Prior Biennia (Expenditures)	\$45,657,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$45,892,000

Sec. 1004. 2018 c 2 s 1016 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
2018 Local and Community Projects (40000005)

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) In contracts for grants authorized under this section the department shall include provisions which require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

Aberdeen Gateway Center (Aberdeen).....	\$1,750,000
Adams County Industrial Wastewater and Treatment Center (Othello)	\$1,250,000
Adna Elementary Playshed (Chehalis)	\$104,000
Airway Heights Recreation Complex (Airway Heights)	\$515,000
Alder Creek Pioneer Museum Expansion (Bickelton)	\$500,000
Anderson Island Historical Society (Anderson Island)	\$26,000
Appleway Trail Amenities (Spokane Valley).....	\$556,000
ARC Community Center Renovation (Bremerton)	\$81,000
Arlington Pocket Park Downtown Business District	

(Arlington).....	\$46,000	Evergreen Pool Resurfacing (White Center)	\$247,000
Asia Pacific Cultural Center <u>Design and</u>		Fall City Wastewater Infrastructure Planning & Design	
<u>Preconstruction</u> (Tacoma).....	\$250,000	(Fall City).....	\$1,000,000
Belfair Sewer Extension to Puget Sound Industrial		Family Medicine Remodel (Goldendale)	\$195,000
Ctr (Belfair)	\$515,000	Federal Way Camera Replacement (Federal Way) ...	\$250,000
Billy Frank Jr. Heritage Center (Olympia)	\$206,000	Federal Way Senior Center (Federal Way).....	\$175,000
Bloodworks NW Bloodmobiles.....	\$425,000	Flood Protection Wall & Storage Building (Sultan)..	\$286,000
Bothell Parks Projects (Bothell).....	\$309,000	Food Lifeline Food Bank	\$1,250,000
Bridgeview Education and Employment Resource Center		Forestry Museum Building (Tenino).....	\$16,000
(Vancouver).....	\$500,000	Fox Island Catastrophic Emergency Preparation	
Brier ADA Ramp Updates Phase (Brier).....	\$115,000	(Fox Island).....	\$17,000
Camp Schechter New Infrastructure and Dining Hall		Francis Anderson Center Roofing Project	
(Tumwater)	\$200,000	(Edmonds).....	\$391,000
Capitol Campus E. WA Butte (Olympia)	\$52,000	Freeland Water and Sewer District Sewer Project	
Captain Joseph House (Port Angeles).....	\$225,000	(Freeland).....	\$1,500,000
Carnation Central Business District Revitalization		FUSION Transitional Hse Pgm/FUSION Decor Boutique	
(Carnation).....	\$1,545,000	(Federal Way).....	\$500,000
Castle Rock Fair LED Lighting (Castle Rock)	\$10,000	Gig Harbor Sports Complex (Gig Harbor)	\$206,000
Centennial Trail - Southern Extension #1		Granger Historical Society Museum Acquisition	
(Snohomish)	\$1,000,000	(Granger).....	\$255,000
Centerville Grange Renovation (Centerville)	\$134,000	Greater Maple Valley Veterans Memorial Foundation	
Centralia Fox Theatre Restoration (Centralia)	\$299,000	(Maple Valley)	\$258,000
Chamber Economic Development Project (Federal		GreenBridge/4th Ave Streetscaping (White	
Way).....	\$250,000	Center).....	\$1,195,000
Chelan County Emergency Operations Center		Harmony Sports Complex Infrastructure & Safety Imprve	
(Wenatchee).....	\$1,000,000	(Vancouver).....	\$1,177,000
Chelatchie Prairie Railroad Maintenance Bldg.		Harrington School District #204, Pool Renovation	
Phase 2 (Yacolt).....	\$250,000	(Harrington).....	\$97,000
Cherry St. Fellowship (Seattle).....	\$360,000	Historic Mukai Farm and Garden Restoration	
Children's Playgarden (Seattle).....	\$315,000	(Vashon).....	\$250,000
Chimacum Ridge Forest Pilot (Port Townsend)	\$3,400,000	Holly Ridge Center Building (Bremerton)	\$475,000
City of Brewster Manganese Abatement (Brewster) .	\$752,000	Honor Point Military and Aerospace Museum	
Cityview Conversion to Residential Treatment		(Spokane)	\$100,000
(Moses Lake)	\$250,000	HopeWorks TOD Center (Everett).....	\$2,760,000
Clark County Historical Museum (Vancouver)	\$300,000	Hoquiam Library (Hoquiam).....	\$250,000
Clymer Museum and Gallery Remodel (Ellensburg).	\$258,000	HUB Sports Center (Liberty Lake)	\$516,000
Coastal Harvest Roof Replacement (Hoquiam).....	\$206,000	Industrial Park No. 5 Road Improvements (George) .	\$412,000
Cocoon House (Everett).....	\$1,000,000	Industrial Park No. 5 Water System Improvements	
College Place Well Consolidation and Replacement		(George)	\$700,000
(College Place)	\$900,000	Inland Northwest Rail Museum (Reardan).....	\$170,000
Columbia River Trail (Washougal).....	\$1,000,000	Innovative Health Care Learning Center (Yakima) \$1,000,000	
Confluence Park Improvements (P2&3) (Issaquah) ..	\$206,000	Interbay PDAC (Seattle)	\$900,000
((Coordinated and Safe Service Center (Redmond) \$309,000))		Intrepid Spirit Center (Tacoma)	\$1,000,000
Country Doctor Community Health Centers (Seattle) \$280,000		Islandwood Comm Dining Hall and Kitchen	
Covington Town Center Civic Plaza Development		(Bainbridge Island).....	\$200,000
(Covington).....	\$820,000	((Japanese Gulch Creek Restoration Project-	
Cross Park (Puyallup).....	\$1,500,000	(Mukilteo)	\$721,000))
Daffodil Heritage Float Barn (Puyallup).....	\$103,000	Kenmore Public Boathouse (Kenmore).....	\$250,000
Darrington Rodeo Grounds (Darrington).....	\$250,000	Key Peninsula Civic Center Generator (Vaughn).....	\$60,000
Des Moines Marina Bulkhead & Fishing Pier Renovation		Key Peninsula Elder Community (Lakebay)	\$515,000
(Des Moines)	\$2,000,000	Kitchen Upgrade Belfair Senior Center Meals on Wheels	
Disaster Response Communications Project		(Belfair).....	\$12,000
(Colville)	\$1,000,000	Kitsap Reg. Library Foundation, Silverdale Library	
District 5 Public Safety Center (Sultan).....	\$1,500,000	(Silverdale).....	\$250,000
Downtown Pocket Park at Rockwell (Port Orchard) .	\$309,000	Kona Kai Coffee Training Center (Tukwila).....	\$407,000
DuPont Historical Museum Renovation HVAC		La Conner New Regional Library (La Conner).....	\$500,000
(DuPont)	\$53,000	Lacey Boys and Girls Club (Lacey)	\$30,000
East Grays Harbor Fiber Project (Elma)	\$463,000	Lake Chelan Community Hospital & Clinic Replacement	
East Hill YMCA/Park Renovation (Kent)	\$1,000,000	(Chelan).....	\$300,000
Eastside Community Center (Tacoma)	\$2,550,000	Lake City Comm Center, Renovate Magnuson Comm Center	
Ebey Waterfront Trail and Shoreline Access		(Seattle).....	\$2,000,000
(Marysville)	\$1,000,000	Lake Stevens Civic Center (Lake Stevens).....	\$3,100,000
Emmanuel Life Center Kitchen (Spokane)	\$155,000	Lake Stevens Food Bank (Lake Stevens)	\$300,000
Ethiopian Community Affordable Senior Housing		Lake Sylvia State Park Legacy Pavilion	
(Seattle)	\$400,000	(Montesano).....	\$696,000

Lake Tye All-Weather Fields (Monroe)	\$800,000	(Shelton).....	\$1,500,000
Lakewood Playhouse Lighting System Upgrade		Skagit Co Public Safety Emgcy Commun Ctr Exp/Remodel	
(Lakewood).....	\$60,000	(Mt. Vernon)	\$525,000
Lambert House Purchase (Seattle).....	\$500,000	Skagit County Veterans Community Park (Sedro-	
Larson Playfield Lighting Renovation (Moses Lake)	\$146,000	Woolley).....	\$500,000
Lewis Co Fire Dist #1 Emergency Svcs Bldg & Resrce Ctr		Skagit Valley YMCA (Mt. Vernon)	\$400,000
(Onalaska).....	\$80,000	Snohomish JROTC Program (Snohomish).....	\$189,000
LIGO STEM Exploration Center (Richland).....	\$411,000	South Gorge Trail (Spokane).....	\$250,000
Longbranch Marina (Longbranch).....	\$248,000	South Snohomish County Community Resource Center	
Longview Police Department Range and Training		(Lynnwood).....	\$2,210,000
(Castle Rock)	\$271,000	South Thurston County Meals on Wheels Kitchen	
Lyon Creek, SR 104 Fish Barrier Removal		Upgrade (Yelm)	\$30,000
(Lake Forest Park)	\$1,200,000	Southwest WA Agricultural Business Park (Tenino)	\$618,000
Maury Island Open Space Remediation (Maury		Southwest Washington Fair Grange Building Re-Roof	
Island).....	\$2,000,000	(Chehalis).....	\$54,000
McChord Airfield North Clear Zone (Lakewood) ..	\$2,000,000	Spanaway Lake Management Plan (Spanaway)	\$26,000
Mill Creek Flood Control Project (Kent).....	\$2,000,000	Squalicum Waterway Maintenance Dredging	
Millionaire Club Charity Kitchen (Seattle).....	\$167,000	(Bellingham)	\$750,000
Moorlands Park Improvements (Kenmore)	\$250,000	Steilacoom Historical Museum Storage Building	
Morrow Manor (Poulsbo)	\$773,000	(Steilacoom)	\$31,000
Mount Baker Properties Cleanup Site (Seattle)	\$1,100,000	Sunnyside Community Hospital (Sunnyside).....	\$2,000,000
Mount Rainier Early Warning System (Pierce		Sunset Career Center (Renton).....	\$412,000
County).....	\$1,751,000	Sunset Neighborhood Park (Renton).....	\$3,050,000
Mukilteo Tank Farm Remediation (Mukilteo).....	\$257,000	Tacoma's Historic Theater District (Tacoma).....	\$1,000,000
Multicultural Community Center (Seattle)	\$1,300,000	Tam O'Shanter Athletic Arena (Kelso)	\$1,000,000
NE Snohomish County Community Services Campus		Toledo Beautification (Toledo)	\$52,000
(Granite Falls).....	\$375,000	Trout Lake School/Community Soccer & Track Facility	
NeighborCare Health (Vashon)	\$3,000,000	(Trout Lake)	\$77,000
New Fire Station at Lake Lawrence (Yelm)	\$252,000	Tumwater Boys and Girls Club (Olympia).....	\$36,000
North Cove Erosion Control (South Bend).....	\$650,000	Turning Pointe Domestic Violence Svc: Shelter Imprv/Rep	
Northshore Athletic Fields (Woodinville)	\$400,000	(Shelton).....	\$27,000
Northwest Improvement Company Building		Twisp Civic Building (Twisp).....	\$750,000
(Roslyn)	\$1,000,000	University YMCA (Seattle).....	\$600,000
Olmstead-Smith Historical Gardens Replacement Well		Veterans Memorial Museum (Chehalis).....	\$354,000
(Ellensburg)	\$17,000	Washington Agricultural Education Center	
Orting's Pedestrian Evacuation Crossing SR162		(Lynden).....	(\$1,500,000)
(Orting).....	\$500,000		<u>\$1,800,000</u>
Othello Regional Water Project (Othello).....	\$1,000,000	Washington Care Services (Seattle)	\$400,000
Paradise Point Water Supply System Phase IV		Washington State Horse Park Covered Arena (Cle	
(Ridgefield).....	\$500,000	Elum).....	\$2,000,000
Pepin Creek Realignment (Lynden).....	\$3,035,000	Waste Treatment and Sewer Collection System	
Performing Arts & Events Center (Federal Way) ...	\$1,000,000	(Toppenish)	\$1,405,000
Pioneer Village ADA Accessible Pathways		Wastewater Collection & Water Distribution Replacemnt	
(Ferndale)	\$154,000	(Carbonado).....	\$1,500,000
(Ponders Wells Treatment Replacement		Water Treatment for Kidney Dialysis	\$499,000
(Lakewood).....	\$500,000)	Wayne Golf Course Region Park (Bothell)	\$1,000,000
Port Ilwaco/Port Chinook Marina Mtce Drdg & Matl Disps		Wesley Homes Bradley Park (Puyallup)	\$1,380,000
(Chinook).....	\$77,000	Westport Marina (Westport).....	\$2,500,000
Port Orchard Marina Breakwater Refurbishment		Weyerhaeuser Land Preservation	
(Port Orchard).....	\$1,019,000	(Federal Way).....	(\$250,000) <u>\$750,000</u>
Poulsbo Outdoor Salmon Observation Area		Whidbey Island Youth Project (Oak Harbor	
(Poulsbo)	\$475,000	and Coupeville)	\$300,000
Puyallup Meeker Mansion Public Plaza (Puyallup)...	\$500,000	White Pass Country Historical Museum (Packwood)	\$283,000
Quincy Square on 4th (Bremerton).....	\$250,000	Whitehouse Additional Capital Campaign (Pasco)	\$1,500,000
R.A. Long Park (Longview)	\$296,000	Willows Road Regional Trail Connection	
Redondo Beach Rocky Reef (Des Moines)	\$500,000	(Kirkland).....	\$1,442,000
Ridgefield Outdoor Recreation Complex		Winlock HS Track (Winlock)	\$103,000
(Ridgefield).....	\$750,000	Winlock Industrial Infrastructure Development	
Rochester Boys & Girls Club upgrades (Rochester)....	\$26,000	(Winlock)	\$1,500,000
Save the Old Tower (Pasco)	\$300,000	Wishram School CTE Facility (Wishram)	\$150,000
Schilling Road Fire Station (Lyle).....	\$448,000	Yakima Valley SunDome Repairs (Yakima).....	\$206,000
Scott Hill Park (Woodland)	\$750,000	Yelm City Park Playground Modernization (Yelm) ..	\$247,000
Seattle Aquarium (Seattle).....	\$400,000	Youth Eastside Services (Bellevue)	\$26,000
Seattle Indian Health Board (Seattle).....	\$200,000	YWCA Family Justice Center (Spokane).....	\$103,000
Seattle Opera (Seattle)	\$465,000		
Shelton Basin 3 Sewer Rehabilitation Project			

(8) \$26,000 of the appropriation in this section is provided

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solely for implementation of the Spanaway lake management plan (~~(contingent on commitment of local funding to support the on-going operational costs of the project, including but not limited to the creation of a lake management district).~~)

(9) (~~(\$250,000)~~) \$750,000 of the appropriation in this section is provided solely for the planning, development, acquisition, and other activities pursuing open space conservation strategies for the historic Federal Way Weyerhaeuser campus. The grant recipient must be a regional nonprofit nature conservancy that works to conserve keystone properties selected by the city of Federal Way.

(10)(a) \$900,000 of the appropriation in this section is provided solely for an Interbay public development advisory committee. It is the intent of the legislature to examine current and future needs of a state entity that performs an essential public function on state-owned property located in one of the state's designated manufacturing industrial centers. The legislature further intends to explore the potential future uses of this state-owned property in the event that the state entity determines that it must relocate in order to protect its ability to perform its essential public function.

(b) The Interbay public development advisory committee is created to make recommendations regarding the highest public benefit and future economic development uses for the Washington army national guard armory facility in the city of Seattle, pier 91 property, located at the descriptions referred to in the quit claim deeds for two parcels of land, 24.75 acres total, dated January 8, 1971, and December 22, 2009.

(c) The Interbay advisory committee consists of seven persons appointed as follows:

(i) One person appointed by the speaker of the house of representatives;

(ii) One person appointed by the president of the senate; and

(iii) Five persons appointed by the governor, who must collectively have experience in forming public-private partnerships to develop workforce housing or affordable housing; knowledge of project financing options for public-private partnerships related to housing; architectural design and development experience related to industrial lands and mixed-use zoning to include housing; and experience leading public processes to engage communities and other stakeholders in public discussions regarding economic development decisions.

(d) The Interbay public development advisory committee must:

(i) Work in collaboration with the military department to determine the needs of the military department if it is relocated from the land described in subsection (1) of this section, including identifying:

(A) Current uses;

(B) Future needs of the units currently at this location;

(C) Potential suitable publicly owned sites in Washington for relocation of current units; and

(D) The costs associated with acquisition, construction, and relocation to another site or sites for these units;

(ii) Explore the future economic development opportunities if the land described in subsection (1) of this section is vacated by the military department, and make recommendations, including identifying:

(A) Suitable and unsuitable future uses for the land;

(B) Environmental issues and associated costs;

(C) Current public infrastructure availability, future public infrastructure plans by local or regional entities, and potential public infrastructure needs;

(D) Transportation corridors in the immediate area and any potential right-of-way needs; and

(E) Existing zoning regulations for the land and potential future zoning needs to evaluate workforce housing, affordable housing, and other commercial and industrial development compatible with the Ballard-Interbay manufacturing industrial center designation;

(iii) Explore the potential funding sources and partners as well as any needed transactions, and make recommendations, including:

(A) Any potential private partners or investors;

(B) Necessary real estate transactions;

(C) Federal funding opportunities; and

(D) State and local funding sources, including any tax-related programs;

(iv) Conduct at least three public meetings at a location within the Ballard-Interbay manufacturing industrial center, where a quorum of the Interbay public development advisory committee members are present, at which members of the public are invited to present to the Interbay advisory committee regarding the future uses of the site and potential issues such as industrial land use, commercial development, residential zoning, and public infrastructure needs; and

(v) Provide a report to the legislature and office of the governor with recommendations for each area described in this subsection (10)(d) by June 29, 2019. The Interbay advisory committee's recommendations must include recommendations regarding the structure, composition, and scope of authority of any subsequent state public development authority that may be established to implement the recommendations of the Interbay advisory committee created in this section.

(e) The Interbay advisory committee created in this section terminates June 30, 2019.

(f) Nothing in this section authorizes the solicitation of interest or bids for work related to the purposes of this section.

(g) The department of commerce shall provide staff support to the Interbay advisory committee. The department may contract with outside consultants to provide any needed expertise.

(h) Legislative members of the Interbay advisory committee are reimbursed for travel in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(11) \$2,000,000 of the appropriation in this section is provided solely to the city of Lakewood for the purchase of property within the federally designated north clear zone at joint base Lewis-McChord. Once acquired, the property must be zoned for use compatible with the mission and activity of McChord airfield. The city may lease or resell the acquired property for fair market value, but any such lease or sale must include restrictions or covenants ensuring that the use of the property is safely compatible with the mission and activity of McChord airfield. If the city subsequently resells, rezones, develops, or leases the property for commercial or industrial uses contrary to the allowed uses in the north clear zone, the city must repay to the state the amount spent on the purchase of the property in its entirety within ten years.

(12) \$250,000 of the appropriation in this section is provided solely for a grant to the Federal Way chamber of commerce for two economic development projects focused in the south Puget Sound area. The amounts in this section must be used for a business retention and expansion program to conduct economic research in collaboration with stakeholders, develop data-driven economic strategies, and produce a written evaluation; and a tourism enhancement program to develop and inventory the

Federal Way area tourism sector, analyze data regarding visitation, and produce a written evaluation.

(13) \$400,000 of the appropriation in this section is provided solely for the Northshore athletic field which shall be named "Andy Hill Sports Complex."

(14) \$1,177,000 of the appropriation in this section is provided solely for the Harmony sports complex infrastructure and safety improvements in Vancouver and is contingent upon the facility being open to the public.

(15) \$250,000 of the appropriation in this section is provided solely for the Asia Pacific cultural center in Tacoma. ~~((These state funds are contingent on securing at least \$1,000,000 in private funds.))~~ It is the intent of the legislature that beyond the 2017-2019 fiscal biennium no state funding is provided to the Asia Pacific cultural center in Tacoma.

Appropriation:

State Building Construction Account—State.	(\$130,529,000))
	<u>\$129,799,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$130,529,000</u>
	<u>\$129,799,000</u>

Sec. 1005. 2018 c 2 s 1017 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Early Learning Facility Grants (40000006)

The appropriations in this section are subject to the following conditions and limitations:

(1) ~~(\$3,504,000))~~ \$4,504,000 of the early learning facilities development account—state appropriation is provided solely for the following list of early learning facility projects in the following amounts:

Pasco Early Learning Center	\$1,030,000
Discover! Children's Museum	\$1,030,000
West Hills Early Learning Center	\$464,000
Franklin Pierce Early Learning Center	\$980,000
<u>Refugee Women's Alliance Early Learning Facility</u>	<u>\$1,000,000</u>

(2) ~~(\$11,996,000))~~ \$10,996,000 of the early learning facilities revolving account—state appropriation in this section is provided solely for early learning facility grants and loans specified in sections 3 through 11, chapter 12, Laws of 2017, 3rd sp. sess. to provide state assistance for designing, constructing, purchasing, or modernizing public or private early learning education facilities for eligible organizations.

~~(((3) If the bill referenced in subsection (2) of this section is not enacted by July 31, 2017, the amount provided in subsection (2) of this section shall lapse.))~~

Appropriation:

Early Learning Facilities Development Account—State	(\$3,504,000))
	<u>\$4,504,000</u>
Early Learning Facilities Revolving Account—State	(\$11,996,000))
	<u>\$10,996,000</u>
Subtotal Appropriation	\$15,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$52,000,000
TOTAL	\$67,500,000

Sec. 1006. 2018 c 2 s 1018 (uncodified) is amended to read

as follows:

FOR THE DEPARTMENT OF COMMERCE

Dental Clinic Capacity Grants (40000007)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) Funding provided in this section may be used for the construction and equipment directly associated with dental facilities. The funding provided in this section is for projects that are maintained for at least a ten-year period and provide capacity to address unmet patient need and increase efficiency in dental access.

(b) ~~(\$12,286,000))~~ \$13,734,000 of the amount provided in this section is provided solely for the following list of projects and is subject to the criteria in (a) of this subsection:

Community Health Association of Spokane (Spokane Valley)	\$581,000
Community Health Association of Spokane (Clarkston)	\$391,000
Community Health of Central Washington (Ellensburg)	\$1,800,000
Columbia Valley Community Health (Chelan)	\$753,000
East Central Community Center (Spokane)	\$500,000
HealthPoint (Federal Way)	\$900,000
International Community Health Services (Shoreline)	\$605,000
Jefferson Healthcare Dental Clinic (Port Townsend)	\$1,000,000
Neighborcare (Seattle)	\$1,388,000
North East Washington Health Programs (Springdale)	\$465,000
North (Olympia)) <u>Olympic</u> Healthcare Network (Port Angeles)	\$610,000
Peninsula Community Health Services (Poulsbo)	\$395,000
Sea Mar (Seattle)	\$183,000
Sea Mar (Oak Harbor)	\$149,000
Sea Mar (Tacoma)	\$149,000
Sea Mar (Vancouver)	\$167,000
Seattle Indian Health Board (Seattle)	\$250,000
<u>Unity Care NW (Ferndale)</u>	<u>\$750,000</u>
Valley View Health Center (Chehalis)	\$1,000,000
<u>VIMO Clinic Expansion and Remodel (Port Angeles)</u>	<u>\$698,000</u>
Yakima Valley Farm Workers Clinic (Kennewick)	\$1,000,000

(c) \$2,800,000 is provided solely for the following list of projects to increase the capacity of dental residencies:

Spokane Dental Residency (Spokane)	\$2,000,000
St. Peter Dental Residency (Olympia)	\$800,000

~~(((d) In order to assess the impact these projects may have on the omnibus operating appropriations act, the department must, in consultation with the medical assistance forecast work group, assess each federally qualified health center project to determine the impact the project may have on state expenditures from the expansion of dental clinic capacity, including the additional impact of change of scope of service for the receiving clinics. Each project must be assessed no later than December 1, 2018. The department must report to the office of financial management and the appropriate fiscal committees of the legislature on the results of the assessments by January 1, 2019.))~~

Appropriation:

State Building Construction Account—State ..	(\$15,086,000))
	<u>\$16,534,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0

TOTAL.....	\$15,086,000
	<u>\$16,534,000</u>

Sec. 1007. 2018 c 2 s 1020 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
Behavioral Health Community Capacity (40000018)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the department of commerce, in collaboration with the department of social and health services and the health care authority, to issue grants to community hospitals or other community entities to expand and establish new capacity for behavioral health services in communities. Amounts provided in this section may be used for construction and equipment costs associated with establishment of the facilities, and consideration must be given to programs that incorporate outreach and treatment for youth dealing with mental health or social isolation issues. Amounts provided in this section may not be used for operating costs associated with the treatment of patients using these services. The department shall establish criteria for the issuance of the grants, which must include:

(a) Evidence that the application was developed in collaboration with one or more behavioral health organizations, as defined in RCW 71.24.025, or entities that assume the responsibilities of behavioral health organizations in regions in which the health care authority is purchasing medical and behavioral health services through fully integrated contracts pursuant to RCW 71.24.380;

(b) Evidence that the applicant has assessed and would meet gaps in geographical behavioral health services needs in their region;

(c) A commitment by applicants to serve persons who are publicly funded and persons detained under the involuntary treatment act under chapter 71.05 RCW;

(d) A commitment by the applicant to maintain the beds or facility for at least a ten-year period;

(e) The date upon which structural modifications or construction would begin and the anticipated date of completion of the project;

(f) A detailed estimate of the costs associated with opening the beds; and

(g) The applicant's commitment to work with local courts and prosecutors to ensure that prosecutors and courts in the area served by the hospital or facility will be available to conduct involuntary commitment hearings and proceedings under chapter 71.05 RCW.

(2) In awarding funding for projects in subsection (3), the department, in consultation with the department of social and health services, the health care authority, and behavioral health organizations, must strive for geographic distribution and allocate funding based on population and service needs of an area. The department must consider current services available, anticipated services available based on projects underway, and the service delivery needs of an area.

(3) (~~(\$36,600,000)~~) \$49,600,000 is provided solely for a competitive process for each category listed and is subject to the criteria in subsections (1) and (2) of this section:

(a) \$4,600,000 is provided solely for at least two enhanced service facilities for long-term placement of (~~(geriatric or traumatic brain injury)~~) patients discharged or diverted from the state psychiatric hospitals and that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(b) (~~(\$2,000,000)~~) \$4,000,000 is provided solely for at least

(~~one facility~~) two facilities with secure detox treatment beds that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(c) \$2,000,000 is provided solely for at least one facility with acute detox treatment beds that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(d) (~~(\$11,400,000)~~) \$12,700,000 is provided solely for crisis diversion or stabilization facilities that are not subject to federal funding restrictions that apply to institutions of mental diseases. At least two of the facilities must be located in King county and one must be located in Pierce county. The facility in Pierce county shall receive no less than \$3,200,000;

(e) (~~(\$10,000,000)~~) \$12,700,000 is provided solely for the department to provide grants to community hospitals or freestanding evaluation and treatment providers to develop capacity for beds to serve individuals on ninety or one hundred eighty day civil commitments as an alternative to treatment in the state hospitals. In awarding this funding, the department must coordinate with the department of social and health services, the health care authority, and the department of health, and must only select facilities that meet the following conditions:

(i) The funding must be used to increase capacity related to serving individuals who will be transitioned from or diverted from the state hospitals;

(ii) The facility is not subject to federal funding restrictions that apply to institutions of mental diseases;

(iii) The provider has submitted a proposal for operating the facility to the department of social and health services;

(iv) The provider has demonstrated to the department of health and the department of social and health services that it is able to meet applicable licensing and certification requirements in the facility that will be used to provide services; and

(v) The department of social and health services has confirmed that it intends to contract with the facility for operating costs within funds provided in the operating budget for these purposes; (~~and~~)

(f) \$6,600,000 is provided solely for the department to provide grants to community providers to develop psychiatric residential treatment beds to serve individuals being diverted or transitioned from the state hospitals. In awarding this funding, the department must coordinate with the department of social and health services, the health care authority, the department of health, and the local behavioral health organization jurisdiction for which a proposal has been submitted and must only select facilities that meet the following conditions:

(i) The funding must be used to increase capacity related to serving individuals who will be transitioned from or diverted from the state hospitals;

(ii) The facility is not subject to federal funding restrictions that apply to institutions of mental diseases;

(iii) The provider has submitted a proposal for operating the facility to the behavioral health organization in the region or the entity that assumes the responsibilities of the behavioral health organization pursuant to RCW 71.24.380;

(iv) The provider has demonstrated to the department of health and the department of social and health services that it is able to meet applicable licensing and certification requirements in the facility that will be used to provide services; and

(v) The behavioral health organization or the entity that assumes the responsibilities of the behavioral health organization pursuant to RCW 71.24.380 has confirmed that it intends to contract with the facility for operating costs within funds provided in the operating budget for these purposes;

(g) \$5,000,000 is provided solely for grants to community

providers to increase behavioral health services and capacity for children and minor youth, including but not limited to, services for substance use disorder treatment, sexual assault and traumatic stress, anxiety, or depression, and interventions for children exhibiting aggressive or depressive behaviors. In awarding funds for projects in this subsection, the department, in consultation with the department of social and health services and the health care authority must review projects based on the following criteria:

(i) The funding must be used to increase capacity related to serving children and minor youth with behavioral health needs;

(ii) The facility is not subject to federal funding restrictions that apply to institutions of mental diseases; and

(iii) The provider has demonstrated to the department of health, department of social and health services, and health care authority that it is able to meet applicable licensing and certification requirements in the facility that will be used to provide services; and

(h) \$2,000,000 is provided solely for competitive community behavioral health grants.

(4) (~~(\$26,000,000)~~) \$35,276,000 is provided solely for the following list of projects and is subject to the criteria in subsection (1) of this section:

North Sound Behavioral Health Organization Denny Youth Center.....	\$5,000,000
North Sound Behavioral Health Organization Substance Use Disorder Intensive Treatment	\$5,000,000
<u>North Sound Stabilization Campus (Sedro-Woolley).....</u>	<u>\$1,550,000</u>
Bellingham Mental Health Triage	\$5,000,000
Bellingham Acute Detox	\$2,000,000
SWWA Diversion Crisis and Involuntary Treatment.....	\$3,000,000
Daybreak Center for Adolescent Recovery.....	\$3,000,000
Nexus Youth and Families.....	\$500,000
Valley City Recovery Place	\$2,000,000
Geriatric Diversion	\$500,000
Skagit Triage Expansion (Mount Vernon).....	\$326,000
Spokane Jail Diversion	\$2,400,000
<u>Tri-county Detox and Crisis Center</u>	<u>\$4,000,000</u>
<u>Toppenish Hospital.....</u>	<u>\$1,000,000</u>

(5) \$3,000,000 is provided solely for the Evergreen treatment services building purchase, contingent on matching funds.

(6)(a) \$3,000,000 is provided solely for a grant to a joint venture between MultiCare-Franciscan to provide community based behavioral health services. Funding provided in this subsection is subject to the criteria in subsection (1) of this section. The department of commerce may not release funding for this project unless MultiCare-Franciscan enters into a memorandum of understanding with the department of social and health services by October 31, 2018, to collaborate on development and implementation of strategies to expand the behavioral health workforce in the region. At a minimum, the agreement must include strategies for increasing recruitment of health professionals required to staff psychiatric inpatient facilities, including psychiatrists, psychologists, nurses and other health care professionals. The agreement must also identify opportunities for coordination between the parties to expand access to clinical skill development and training opportunities in the region and strategies for collaborative service delivery between the parties when possible. To objectively evaluate the efficacy of the strategies implemented to achieve the desired outcomes of the agreement, performance measures and targets must be established to include:

((~~a~~)) (b) MultiCare-Franciscan and the department of social and health services must work collaboratively to decrease

vacancy rates for hard-to-recruit health care professionals employed by each facility. The parties must develop strategies to attract more qualified health care professionals to the area and ensure comparable exposure to the benefits of working for each organization. The parties must measure the success of these strategies by the decrease in vacancy rate for health care professionals necessary to provide safe, quality inpatient psychiatric care in MultiCare-Franciscan and department facilities following the first year as the baseline of the partnership/consortium and with updated goals for each subsequent year. MultiCare-Franciscan and the department of social and health services must work to increase the competency and skills of health care professionals across both facilities by establishing organized joint- and cross-training programs. The parties must measure the success of this strategy by the number of health care professionals in total and by discipline complete cross-training activities and by the number and hours of cross-training opportunities offered under the agreement.

((~~6~~)) (7) The department of commerce shall notify all applicants that they may be required to have a construction review performed by the department of health.

((~~7~~)) (8) To accommodate the emergent need for behavioral health services, the department of health and the department of commerce, in collaboration with the health care authority and the department of social and health services, shall establish a concurrent and expedited process to assist grant applicants in meeting any applicable regulatory requirements necessary to operate inpatient psychiatric beds, free-standing evaluation and treatment facilities, enhanced services facilities, triage facilities, crisis stabilization facilities, detox, or secure detox.

Appropriation:

State Building Construction Account—State ..	(\$65,600,000)
	\$90,876,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$65,600,000
	\$90,876,000

Sec. 1008. 2018 c 2 s 1021 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
CERB Administered Broadband Infrastructure (91000943)

The appropriation in this section is subject to the following conditions and limitations: During the 2017-2019 fiscal biennium, the community economic revitalization board may make grants and loans to local governments and federally recognized tribes to build infrastructure to provide high-speed, open-access broadband service, with a minimum of 25 megabits per second download speed, to rural and underserved communities, for the purpose of economic development or community development.

(1) "Local governments" means cities, towns, counties, municipal corporations, public port districts, quasi-municipal corporations, and special purpose districts.

(2) "Broadband" means networks of deployed telecommunications equipment and technologies necessary to provide high-speed Internet access and other advanced telecommunications services.

(3) The board is authorized to make rural broadband loans and grants to local governments and to federally recognized Indian tribes for the purposes of financing the cost to build infrastructure to provide high-speed, open-access broadband service, to rural and underserved communities, for the purpose of economic development or community development. ~~((Grants-~~

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~~may also be authorized for purposes designated in this chapter, but only when, and to the extent that, a loan is not reasonably possible, given the limited resources of the local government or the federally recognized Indian tribe, and subject to a finding by the board that financial circumstances require grant assistance to enable the project to move forward.)~~ However, no more than ((25)) 50 percent of all financial assistance approved by the board in any biennium may consist of grants to local governments and federally recognized Indian tribes.

(4) Application for funding must be made in the form and manner as the board may prescribe. In making grants or loans the board must conform to the following requirements:

(a) The board may not provide financial assistance:

(i) For a project the primary purpose of which is to facilitate or promote a retail shopping development or expansion.

(ii) For any project that evidence exists would result in a development or expansion that would displace existing jobs in any other community in the state.

(iii) For a project the primary purpose of which is to facilitate or promote gambling.

(iv) For a project located outside the jurisdiction of the applicant local government or federally recognized Indian tribe.

(v) For equipment or facilities which would enable a public entity to provide retail telecommunications services or services that the entity is not authorized by statute to provide.

(vi) For the deployment of publicly-owned telecommunication network infrastructure ("backbone") solely for the sake of creating competitive, publicly-owned telecommunication network infrastructure.

(b) The board may provide financial assistance only(:(

~~(i) For projects demonstrating convincing evidence that a specific private development or expansion is ready to occur and will occur only if the public facility improvement is made that:~~

~~(A) Results in the creation of significant private sector jobs or significant private sector capital investment as determined by the board;~~

~~(B) Will improve the opportunities for the successful maintenance, establishment, or expansion of industrial or commercial plants or will otherwise assist in the creation or retention of long term economic opportunities; and~~

~~(C) Is located in a rural community as defined by the board, or a rural county; or~~

~~(ii) For a project that does not meet the requirements of (b)(i) of this subsection but is a project that:~~

~~(A) Results in the creation of significant private sector jobs or significant private sector capital investment as determined by the board;~~

~~(B) Is part of a local economic development plan consistent with applicable state planning requirements;~~

~~(C) Can demonstrate project feasibility using standard economic principles; and~~

~~(D) Is located in a rural community as defined by the board, or a rural county;~~

~~(e) The board must develop guidelines for local participation and allowable match and activities.~~

~~(d) An application must demonstrate local match and local participation, in accordance with guidelines developed by the board.~~

~~(e))~~ for projects located in a rural community as defined by the board, or located in a rural county, that encourage, foster, develop, and improve broadband within the state in order to:

(i) Drive job creation, promote innovation, and expand markets for local businesses; or

(ii) Serve the ongoing and growing needs of local education systems, health care systems, public safety systems, industries

and businesses, governmental operations, and citizens; and

(iii) Improve accessibility for underserved communities and populations.

~~(c)~~ An application must be approved by the local government and supported by the local associate development organization or local workforce development council or approved by the governing body of the federally recognized Indian tribe.

~~((#))~~ (d) The board may allow de minimis general system improvements to be funded if they are critically linked to the viability of the project.

~~((g)) An application must demonstrate convincing evidence that the median hourly wage of the private sector jobs created after the project is completed will exceed the countywide median hourly wage.~~

~~(h)~~ The board must prioritize each proposed project according to:

~~(i) The relative benefits provided to the community by the jobs the project would create, not just the total number of jobs it would create after the project is completed, but also giving consideration to the unemployment rate in the area in which the jobs would be located;~~

~~(ii) The rate of return of the state's investment, including, but not limited to, the leveraging of private sector investment, anticipated job creation and retention, and expected increases in state and local tax revenues associated with the project;~~

~~(iii) Whether the proposed project offers a health insurance plan for employees that includes an option for dependents of employees;~~

~~(iv) Whether the public facility investment will increase existing capacity necessary to accommodate projected population and employment growth in a manner that supports infill and redevelopment of existing urban or industrial areas that are served by adequate public facilities. Projects should maximize the use of existing infrastructure and provide for adequate funding of necessary transportation improvements;~~

~~(v) Whether the applicant's permitting process has been certified as streamlined by the office of regulatory assistance; and~~

~~(vi) Whether the applicant has developed and adhered to guidelines regarding its permitting process for those applying for development permits consistent with section 1(2), chapter 231, Laws of 2007.~~

~~((#))~~ (e) When evaluating and prioritizing projects, the board must give consideration, at a minimum, to the following factors:

(i) The project's value to the community, including evidence of support from affected local businesses and government;

(ii) The project's feasibility, using standard economic principles;

(iii) Commitment of local matching resources and local participation;

(iv) The project's inclusion in a capital facilities plan, comprehensive plan, or local economic development plan consistent with applicable state planning requirements; and

(v) The project's readiness to proceed.

(5) A responsible official of the local government or the federally recognized Indian tribe must be present during board deliberations and provide information that the board requests.

~~((S))~~ (6) Before any financial assistance application is approved, the local government or the federally recognized Indian tribe seeking the assistance must demonstrate to the community economic revitalization board that no other timely source of funding is available to it at costs reasonably similar to financing available from the community economic revitalization board.

Appropriation:

State <u>Taxable</u> Building Construction	
Account—State.....	(\$5,000,000)
	<u>\$10,000,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$5,000,000</u>
	<u>\$10,000,000</u>

Sec. 1009. 2018 c 2 s 1022 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
Seismic Inventory: Unreinforced Masonry Buildings (91000959)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the department, in cooperation with the department of archaeology and historic preservation, to contract for a seismic study regarding suspected unreinforced masonry buildings in Washington state. The study must include a list and map of suspected unreinforced masonry buildings, excluding single-family housing, and be produced by utilizing existing survey and data sources, including the state's historic resources database, to the greatest extent possible. The study may incorporate random sampling, site visits, and other means to inform the study. The study must identify the number of unreinforced masonry buildings with vacant or underutilized upper floors. The study must be provided to the office of financial management and fiscal committees of the legislature by (~~September 1~~) December 15, 2018.

Appropriation:	
State Building Construction Account—State.....	\$200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$200,000

Sec. 1010. 2018 c 2 s 1023 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
2017-19 Stormwater Pilot Project (91001099)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the department of commerce to establish a community-based public-private partnership stormwater pilot program using the United States environmental protection agency guidelines for local governments. The department must establish goals and geographical areas and identify ongoing revenue structures, as well as develop a request for qualifications with the department of ecology using the environmental protection agency guidelines to support future stormwater public-private partnerships. The department must report to the office of financial management and fiscal committees of the legislature by (~~September 1~~) December 15, 2018, regarding the establishment of the pilot project and any barriers in implementing projects using this model.

Appropriation:	
State Building Construction Account—State.....	\$250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$250,000

Sec. 1011. 2018 c 2 s 1025 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Seattle Vocational Institute Adaptive Reuse Study (91001154)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the department to contract for an adaptive reuse study for the Seattle vocational institute building and property located at 2120 south Jackson street. The study must quantify the costs of repair and improvements for the various potential uses and analyze financing under different ownership scenarios. The evaluation must be provided to the office of financial management and fiscal committees of the legislature by (~~September 1~~) December 15, 2018.

Appropriation:	
State Building Construction Account—State	\$150,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$150,000

NEW SECTION. Sec. 1012. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF COMMERCE**
2019 Local and Community Projects (91001157)

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) In contracts for grants authorized under this section the department shall include provisions which require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

Arlington Innovation Center (Arlington).....	\$275,000
Asia Pacific Cultural Center (Ruston)	\$250,000
Ballard Fish Ladder Renovation (Seattle)	\$100,000
Boys and Girls Club (Oak Harbor).....	\$20,000
Capitol Campus Improvements (Olympia).....	\$249,000
Centralia Founder Statue George & Mary Jane (Centralia)	\$75,000

Chamber of Commerce Renovation Project (Federal Way).....	\$250,000
Chelan Moderate Risk Waste Facility (Wenatchee) ..	\$556,000
Cheney Well #3 Re-Drill (Cheney)	\$750,000
Clinton & Gloria John Teen Club (Vancouver).....	\$500,000
Colby Avenue Youth Center (Everett).....	\$207,000
College Place Well No. 2 Relocation (College Place)	\$618,000
Covington Town Center (Covington)	\$500,000
Crisis Services Renovation (Kennewick).....	\$200,000
Derelict Vessel Deconstruction Boatyard (Ilwaco)....	\$950,000
Duvall Civic Stage (Duvall)	\$50,000
East Blaine Infrastructure Extension Project (Blaine).....	\$1,200,000
East Whatcom Regional Resource Center (Maple Falls).....	\$125,000
Edmonds Community & Senior Center (Edmonds)...	\$500,000
Family First Community Center (Renton)	\$1,500,000
Fennel Creek Trail Extension (Bonney Lake).....	\$500,000
Fircrest Community Pool (Fircrest)	\$750,000
Five Acre Woods Park Acquisition (Lake Forest Park)	\$300,000
Fort Steilacoom Park (Lakewood)	\$400,000
Full Capacity Generator (Vashon)	\$230,000
Grace Children's Center Renew & Remodel (Des Moines).....	\$25,000
Granger Splash Park (Granger).....	\$30,000
Grays Harbor County Courthouse (Montesano)	\$412,000
Greenwood Cemetery (Centralia)	\$250,000
Habitat for Humanity Veterans Project (Pacific)	\$250,000
Harrison/Eastside Employment Center (Bremerton) .	\$280,000
Historic Water Tower Renovation (Yelm).....	\$155,000
House of Charity Homeless Shelter Outdoor Annex (Spokane)	\$235,000
Interurban Trail and Trailhead (Fife)	\$200,000
Issaquah Teen Cafe (Issaquah)	\$100,000
Kirkland Performance Center Modernization/Enhancement (Kirkland)	\$500,000
Kitsap Humane Society Animal Shelter Expansion (Silverdale)	\$300,000
KRYS Thin Air Community Radio Expansion (Spokane).....	\$100,000
Lacey Food Bank (Lacey).....	\$750,000
Lake City Community Center (Seattle).....	\$500,000
Lake Sammamish State Park EIS and Predesign (Issaquah)	\$200,000
Lake Stevens Food Bank (Lake Stevens).....	\$206,000
Lakewood Colonial Plaza (Lakewood).....	\$500,000
Lincoln County E911 (Davenport)	\$500,000
Lopez Island Pool (Lopez).....	\$500,000
Lyons Ferry State Park Campground Design & Permitting (Washtucna)	\$400,000
Main Street Reconstruction - Phase 2 (Mountlake Terrace)	\$500,000
Mary's Place Burien Hub (Burien).....	\$500,000
Masonic Temple Window Replacement (Centralia)	\$27,000
Mobile CTE Training Project (Centralia)	\$515,000
Moshier Park Sports Field Improvements & Stormwater (Burien)	\$500,000
Mt. Spokane Guest Services Improvements (Mead) ..	\$309,000
Mukilteo Peace Park Construction (Mukilteo).....	\$400,000
Mukilteo Waterfront Parking Lot (Mukilteo)	\$500,000
North Mason Teen Center (Belfair)	\$412,000
North Shore Levee (Aberdeen)	\$2,500,000
Northwest African American Museum Exhibit (Seattle).....	\$200,000

Oak Harbor Windjammer Park Restoration (Oak Harbor)	\$750,000
Olympic Natural Resource Center CLT Design (Forks).....	\$10,000
Omak Airport Improvement (Omak).....	\$309,000
Pe Ell Infrastructure (Pe Ell)	\$340,000
PFAS Remediation Pilot (Issaquah)	\$206,000
Pioneer Park Pool House (Connell).....	\$25,000
Port of Allyn Marina Utility (Allyn)	\$376,000
Port of Sunnyside (Sunnyside)	\$1,000,000
Port of Vancouver (Vancouver)	\$824,000
Ports of Ilwaco and Chinook Marina Dredging (Ilwaco).....	\$450,000
Puyallup River Boat Launch (Puyallup).....	\$100,000
Redmond Central Connector Phase III (Redmond) ...	\$721,000
Ridgefield Police Station Expansion (Ridgefield)....	\$124,000
River View Performing Arts Center (Kennewick) ...	\$206,000
Roslyn Community and Cultural Center (Roslyn)....	\$523,000
Sedro-Woolley Regional Library (Sedro-Woolley)	\$1,500,000
Shelton Timberland Library Repair (Shelton)	\$288,000
Skagit Children's Advocacy & Family Support Center (Mount Vernon).....	\$310,000
Skamania County Fair Horse Stall Panels (Stevenson)	\$40,000
Sno-Isle Libraries Mariner Library Preliminary Design (Everett)	\$322,000
Snohomish Carnegie Project (Snohomish).....	\$500,000
Snohomish Community Food Bank Freezer (Snohomish).....	\$29,000
SOZO Sports Center of Central Washington (Yakima)	\$500,000
Spokane County Medical Examiner (Spokane).....	\$1,250,000
St. Mark Tiny Homes for Homeless High School Students (Lacey).....	\$200,000
Staging for Success! (Silverdale)	\$500,000
Starfire Sports Ignite STEM Passion (Tukwila)	\$250,000
Sultan Decant Facility/Clean-up (Sultan).....	\$340,000
Summit Park (Maple Valley).....	\$331,000
Town Hall Historic Restoration (Seattle)	\$1,000,000
TXL Lake Hills Clubhouse Acquisition Boys & Girls Club (Bellevue)	\$200,000
Washougal Steamboat Landing Dock Replacement (Washougal)	\$750,000
Waterfront Trail Development (Stevenson)	\$103,000
Wenatchee WRIA 45 Pilot Project (Wenatchee).....	\$350,000
West Central Community Center Roof/Skylight (Spokane)	\$80,000
William Shore Pool Expansion (Port Angeles)	\$1,500,000
Yacolt Railroad Bldg. and Museum Project (Yacolt)	\$412,000
Yelm Historic Building (Yelm).....	\$39,000

(8) \$250,000 of the appropriation in this section is provided solely for the purchase of the Greenwood cemetery located at 1905 Johnson road. The city of Centralia must establish a cemetery district for the Greenwood cemetery.

Appropriation:	
State Building Construction Account—State	\$40,569,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$40,569,000

Sec. 1013. 2017 3rd sp.s. c 4 s 1021 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
Housing Trust Fund Appropriation (30000833)

The reappropriations in this section are subject to the

following conditions and limitations:

(1) Except as provided in subsection (2) of this section, the reappropriations are subject to the provisions of section 1005, chapter 35, Laws of 2016 sp. sess.

(2) \$1,500,000 of the reappropriation from section 1005(11), chapter 35, Laws of 2016 sp. sess. is instead provided solely for purchase of the south annex properties. The state board of community and technical colleges must transfer the south annex properties located at 1531 Broadway, 1534 Broadway, and 909 East Pine street to a nonprofit or public development authority, if the entity agrees to use the properties to provide services and housing for homeless youth and young adults for a minimum of ten years. The transfer agreement must specify a mutually agreed transfer date. The transfer agreement must require the nonprofit or public development authority to cover any closing costs and must specify a purchase price of nine million dollars.

Reappropriation:

State Taxable Building Construction Account—	
State	\$59,701,000
Washington Housing Trust Account—State	\$3,000,000
Subtotal Reappropriation	\$62,701,000
Prior Biennia (Expenditures)	
Future Biennia (Projected Costs)	\$0
TOTAL	\$83,000,000

Sec. 1014. 2018 c 2 s 1011 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
Weatherization Plus Health Matchmaker Program (30000879)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,000,000 is provided solely for lead remediation projects, and this is the maximum amount the department may expend for this purpose.

(2) \$5,000,000 is provided solely for projects pursuant to chapter 285, Laws of 2017 (Engrossed Senate Bill No. 5647), and this is the maximum amount the department may expend for this purpose. The department may prioritize rehabilitation projects in coordination with weatherization projects.

(3) \$5,000,000 is provided solely for grants for the Washington State University energy extension community energy efficiency program (CEEP) to support homeowners, tenants, and small business owners to make sound energy efficiency investments by providing consumer education and marketing, workforce support via training and lead generation, and direct consumer incentives for upgrades to existing homes and small commercial buildings, and this is the maximum amount the department may expend for this purpose.

Appropriation:

State Building Construction Account—State...((\$16,000,000))	<u>\$18,500,000</u>
State Taxable Building Construction Account—	
State	\$5,000,000
Subtotal Appropriation	((\$21,000,000))
	<u>\$23,500,000</u>
Prior Biennia (Expenditures)	
Future Biennia (Projected Costs)	\$80,000,000
TOTAL	\$101,000,000
	<u>\$103,500,000</u>

NEW SECTION. Sec. 1015. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE**

DEPARTMENT OF COMMERCE
Behavioral Rehabilitation Services Capacity Grants

(92000611)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) Funding provided in this section may be used for the renovation or construction directly associated with behavioral rehabilitation services settings. The funding provided in this section is limited to projects at facilities that are not state owned that add capacity to address unmet need and are maintained as behavioral rehabilitation services capacity available to the state for at least a five-year period.

(b) It is the goal of the legislature to achieve an additional twenty-four beds of behavioral rehabilitation services capacity by the conclusion of the 2017-2019 fiscal biennium. To the maximum extent possible, the department shall prioritize the use of the funding provided in this section in a manner that facilitates achieving this goal, and consideration must be given to programs that incorporate outreach and treatment for youth dealing with mental health or social isolation issues.

(c) The department shall consult as needed with the children and families services program of the department of social and health services through June 30, 2018, and the department of children, youth, and families effective July 1, 2018, to ensure that, to the maximum extent possible, the use of funding provided in this section facilitates placements that will better accommodate permanency plans, including but not limited to parent-child visitation.

Appropriation:

State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

Sec. 1016. 2016 sp.s. c 35 s 1012 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE
Local and Community Projects 2016 (92000369)

The appropriation in this section is subject to the following conditions and limitations:

(1) Except as directed otherwise prior to the effective date of this section, the department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is released for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(6).

(6) Projects funded in this section, including those that are

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owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) \$2,209,000 of the appropriation in this section is provided solely for the Fairchild air force base protection and community empowerment project, including the purchase of twenty acres of land by Spokane county or the city of Airway Heights for development of affordable housing and the purchase of mobile home parks by Spokane county or the city of Airway Heights in order to reduce the use of the accident potential zone for residential purposes. There shall be no limitations on the sequence of the purchase of mobile home parks. If Spokane county or the city of Airway Heights subsequently rezones, develops, and leases the mobile home park property for commercial or industrial uses contrary to the allowed uses in the accident potential zone, Spokane county or the city of Airway Heights must repay to the state the amount spent on the purchase of mobile home parks in its entirety within ten years. Mobile home parks purchased under the provisions of this subsection may be sold by Spokane county or the city of Airway Heights, provided that the uses of the mobile home park property are not contrary to the allowed uses in the accident potential zone. Any moneys from this sale must be used to purchase other mobile home parks in the Fairchild air force base protection and community empowerment project. The twenty acres of land purchased under this subsection for development as affordable housing may be sold, in whole or in part, by the recipient, provided the property sold is used for affordable housing as required in the Fairchild air force base protection and community empowerment project. Recipients of funds provided under this subsection are not required to demonstrate that the project site is under their control for a minimum of ten years but they must demonstrate that the project site is under their control through ownership or long-term lease. Projects funded under this subsection are not required to meet the provisions of RCW 43.63A.125(6) and subsection (5) of this section.

(8) \$850,000 of the appropriation in this section is provided solely for the White River restoration project. Design solutions for flooding reductions in the lower White River must include a floodplain habitat design that both reduces flood risks and restores salmon habitat by reconnecting the river with its floodplain and a sustainable riparian corridor. Project designs and plans must also identify lands for acquisition needed for floodplain reconnection where pending or existing development eliminates the potential for riparian and aquatic habitat restoration. The city shall work cooperatively with the Muckleshoot Indian Tribe and the Puyallup Tribe of Indians, and develop a plan collaboratively to achieve both flood reduction and habitat restoration.

(9) Up to ~~(\$150,000)~~ \$300,000 of the appropriation in this section for the veterans helping veterans: Emergency transition shelter project may be spent on preconstruction or preacquisition activities, including, but not limited to, building inspections, design of necessary renovations, cost estimation, and other activities necessary to identify and select a facility appropriate for the program. The remainder of the appropriation must be used for eventual acquisition and renovations of a facility.

(10) \$2,500,000 of the appropriation in this section is provided solely for the mercy housing and health care center at Sand Point. During the 2015-2017 fiscal biennium, the center may not house any community health care training organization that has been investigated by and has paid settlement fees to the attorney general's office for alleged medicaid fraud.

(11) The Lake Chelan land use plan must be developed without adverse impacts on agricultural operations.

(12) \$1,300,000 of the appropriation in this section is

provided solely for phase one of the main street revitalization project in the city of Mountlake Terrace.

(13) \$300,000 of the appropriation in this section is provided solely for the city of Stanwood to acquire property for a new city hall/public safety facility.

(14) Up to 30 percent of the funding for the Kennewick boys and girls club may be used for land acquisition.

(15) The appropriation is provided solely for the following list of projects:

<u>Projects</u>	<u>Amounts</u>
Algona senior center	\$500,000
All-accessible destination playground	\$750,000
Appleway trail	\$1,000,000
Basin 3 sewer rehabilitation	\$1,500,000
Bellevue downtown park inspiration playground and sensory garden	\$1,000,000
Bender fields parking lot and restrooms	\$1,000,000
Blackhills community soccer complex safety projects	\$750,000
Bremerton children's dental clinic	\$396,000
Brewster reservoir replacement	\$1,250,000
Brookville gardens	\$1,200,000
Camas-Washougal Babe Ruth youth baseball improve Louis Bloch park	\$10,000
Cancer immunotherapy facility- Seattle children's research inst.	\$7,000,000
Caribou trail apartments	\$100,000
Carnegie library imprv for the rapid recidivism reduction program	\$1,000,000
Cavelero park - regional park facility/skateboard park	\$500,000
CDM caregiving services: Clark county aging resource center	\$1,200,000
Centerville school heating upgrades	\$46,000
Chambers Creek regional park pier extension and moorage	\$1,750,000
City of LaCenter parks & rec community center	\$1,500,000
City of Lynden pipeline	\$2,000,000
City of Lynden-Riverview road construction	\$850,000
City of Lynden-safe routes to school and Kaemingk trail gap elim.	\$300,000
City of Mt. Vernon downtown flood protect project & riverfront trail	\$1,500,000
City of Olympia - Percival Landing renovation	\$950,000
City of Pateros water system	\$1,838,000
City of Stanwood City hall/public safety facility property acquisition	\$300,000
Classroom door barricade - nightlock	\$45,000
Confluence area parks upgrade and restoration	\$1,000,000
Corbin senior center elevator	\$300,000
Covington community park	\$5,000,000
Cross Kirkland corridor trail connection 52nd St.	\$1,069,000
Dawson place child advocacy center building completion project	\$161,000
Dekalb street pier	\$500,000
DNR/City of Castle Rock exchange	\$80,000
Dr. Sun Yat Sen memorial statue	\$10,000
Drug abuse and prevention center -	\$96,000

Castle Rock		Mukilteo tank farm clean-up	\$250,000
DuPont historical museum	\$46,000	New Shoreline medical-dental clinic	\$1,500,000
renovation		Nordic heritage museum	\$2,000,000
East Tacoma community center	\$1,000,000	North Kitsap fishline foodbank	\$625,000
Edmonds center for the arts: Gym	\$250,000	Northwest native canoe center	\$250,000
climate control & roof repairs		project	
Edmonds senior & community	\$1,250,000	Oak Harbor clean water facility	\$2,500,000
center		Okanogan emergency	\$400,000
Emergency generator for kidney	\$226,000	communications	
resource center		Onalaska community tennis and	\$80,000
Enumclaw expo center	\$350,000	sports courts	
Fairchild air force base protection &	\$2,209,000	Opera house ADA elevator	\$357,000
comm empowerment project		Orcas Island library expansion	\$1,400,000
Federal Way PAC center	\$2,000,000	Pacific community center	\$250,000
Filipino community of Seattle	\$1,200,000	PCAF's building for the future	\$350,000
village (innovative learning center)		Pe Ell second street	\$197,000
Franklin Pierce early learning center	\$2,000,000	Perry technical school	\$1,000,000
Gateway center project	\$1,000,000	Pike Place Market front project	\$800,000
Gilda club repairs	\$800,000	Police station security/hardening	\$38,000
Granite Falls boys & girls club	\$1,000,000	Port of Centralia - Centralia station	\$500,000
Gratzer park ball fields	\$200,000	Port of Sunnyside demolish the	\$450,000
Grays Harbor navigation	\$2,500,000	carnation building	
improvement project		PROVAIL TBI residential facility	\$450,000
Green river gorge open space buffer,	\$750,000	Quincy water reuse	\$1,500,000
Kummer connection		Redmond downtown park	\$3,000,000
Guy Cole center revitalization	\$450,000	Redondo boardwalk repairs	\$1,500,000
Historic renovation Maryhill	\$1,000,000	Renovate senior center	\$400,000
museum		Rochester boys & girls club	\$38,000
Hopelink at Ronald commons	\$750,000	Rockford wastewater treatment	\$1,200,000
Irvine slough storm water separation	\$500,000	Roslyn renaissance-NW improve	\$900,000
Kahlolus highway sewer force main	\$2,625,000	company bldg renovation project	
Kennewick boys and girls club	\$500,000	Sammamish rowing association	\$500,000
Kent east hill YMCA	\$500,000	boathouse	
Key Pen civics center	\$50,000	SE 240th St. watermain system	\$700,000
KiBe high school parking	\$125,000	improvement project	
Kitsap humane society - shelter	\$90,000	SE Seattle financial & economic	\$1,500,000
renovation		opportunity center	
Lacey boys & girls club	\$29,000	SeaTac international marketplace &	\$1,250,000
Lake Chelan land use plan	\$75,000	transit-oriented community	
LeMay car museum ADA access	\$500,000	Seattle theatre group	\$131,000
improvements		Snohomish veterans memorial	\$10,000
Lyman city park renovation	\$167,000	rebuild	
Lyon creek flood reduction project	\$400,000	Snoqualmie riverfront project	\$1,520,000
Marine terminal rail investments	\$1,000,000	South 228th street inter-urban trail	\$500,000
Martin Luther King Jr. family	\$85,000	connector	
outreach center expansion project		Splash pad/foundation: Centralia	\$200,000
Mason county Belfair wastewater	\$1,500,000	outdoor pool restoration project	
system rate relief		Spokane women's club	\$300,000
McAllister museum	\$660,000	Springbrook park neighborhood	\$300,000
Mercer arena energy savings &	\$450,000	connection project	
sustainability funding		SR 532 flood berm and bike/ped	\$85,000
Mercy housing and health center at	\$2,500,000	path	
Sand Point		St. Vincent food bank & community	\$400,000
Meridian center for health	\$2,500,000	services construction project	
Minor Road water reservoir	\$1,500,000	Stan & Joan cross park	\$750,000
replacement		Steilacoom Sentinel Way repairs	\$450,000
Mountains to Sound Greenway Tiger	\$300,000	Stilly Valley youth project Arlington	\$2,242,000
Mountain access improvements		B&G club	
Mountlake Terrace Main street	\$1,300,000	Sunset neighborhood park	\$1,750,000
revitalization project		Support, advocacy & resource center	\$750,000
Mt. Spokane guest services building	\$520,000	for victims of violence	
& preservation/maintenance of existing		The gathering house job training	\$14,000
facilities		café	
Boys & girls club of Snohomish	\$1,000,000	The Salvation Army Clark County:	\$1,200,000
county (Brewster, Sultan, Granite Falls,		Corps community center	
Arlington, and Mukilteo)		Thurston county food bank	\$500,000

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Tulalip water pipeline, (final of 8 segments)	\$2,000,000
Twin Bridges museum rehab Lyle Wa	\$64,000
Twisp civic building	\$500,000
Vancouver, Columbia waterfront project	\$2,500,000
Vantage point senior apartments	\$2,000,000
Veterans center	\$500,000
Veterans helping veterans:	\$600,000
Emergency transition shelter	
Waitsburg Main Street bridge replacement	\$1,700,000
Washington green schools	\$105,000
Washougal roof repair	\$350,000
Water meter and system improvement program	\$500,000
Water reservoir and transmission main	\$500,000
Wayne golf course land preservation	\$500,000
White River restoration project	\$850,000
Willapa behavioral health safety improvement project	\$75,000
WSU LID frontage - local and economic benefits	\$500,000
Yakima children's museum center	\$50,000
Yakima SunDome	\$2,000,000
Yelm community center	\$500,000
Yelm senior center	\$80,000
Youth wellness campus gymnasium renovation	\$1,000,000
 Total	 \$130,169,000

Appropriation:

State Building Construction Account—State.....	\$130,169,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$130,169,000

Sec. 1017. 2018 c 2 s 1026 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT
Oversight of State Facilities (30000039)

Appropriation:

((State Building Construction Account—State....	(\$1,229,000))
Thurston County Capital Facilities Account—	
State	(((\$1,229,000))
	<u>\$2,458,000</u>
((Subtotal Appropriation.....	(\$2,458,000))
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,458,000

Sec. 1018. 2018 c 2 s 1027 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT
OFM Capital Budget Staff (30000040)

Appropriation:

((State Building Construction Account—State.....	\$611,000))
Thurston County Capital Facilities Account—	
State	(((\$611,000))
	<u>\$1,222,000</u>
((Subtotal Appropriation.....	\$1,222,000))

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$1,222,000

Sec. 1019. 2018 c 2 s 1031 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT
Evaluation of Law Enforcement Training by Community Colleges (92000022)

The appropriation in this section is subject to the following conditions and limitations: \$300,000 of the appropriation in this section is provided solely for the office of financial management to contract with an external consultant to develop a plan that provides required basic law enforcement training through student paid programs with training provided by community and technical colleges. The consultant must review the costs, benefits, and risks to the state of Washington and review models from other states. The consultant must provide a report with an implementation plan and recommendations to the governor and the appropriate committees of the legislature by (~~December 10, 2018~~) January 31, 2019.

Appropriation:

State Building Construction Account—State	\$300,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$300,000

NEW SECTION. Sec. 1020. 2018 c 2 s 1030 (uncodified) is repealed.

NEW SECTION. Sec. 1021. 2018 c 2 s 1033 (uncodified) is repealed.

Sec. 1022. 2018 c 2 s 1032 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT
Behavioral Health Statewide Plan (91000434)

The appropriation in this section is subject to the following conditions and limitations: The office of financial management, in collaboration with the department of commerce, the health care authority, the department of social and health services, the department of health, and behavioral health organizations, shall establish a statewide plan to inform future grant allocations by assessing and prioritizing facility needs and gaps in the behavioral health continuum of care. The department must provide the plan to the fiscal committees of the legislature by (~~September 4~~) December 31, 2018. The plan must include:

- (1) An assessment of the continuum of care, including new community hospital inpatient psychiatric beds, free-standing evaluation and treatment facilities, enhanced service facilities, triage facilities, crisis stabilization facilities for short-term detention services through the publicly funded mental health system, crisis walk-in clinics, residential treatment facilities, and supportive housing units;
- (2) A prioritization of facility type by geographic region covering the full continuum of care defined in subsection (1) of this section;
- (3) A systematic method to distribute resources across geographical regions so that over time all regions are moving forward in strengthening the local continuum of behavioral health facilities; and
- (4) An assessment of the feasibility of establishing state-operated, community-based mental health hospitals.

Appropriation:

State Building Construction Account—State.....	\$200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$200,000

NEW SECTION. Sec. 1023. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE OFFICE OF FINANCIAL MANAGEMENT**
Higher Education Facility Study (92000026)

The appropriation in this section is subject to the following conditions and limitations: The office of financial management shall submit a higher education facility study to the governor and the appropriate legislative fiscal committees by December 1, 2018. In designing and conducting the study, the office of financial management shall consult with legislative and fiscal committee leadership, the state board for community and technical colleges, and the public four-year institutions of higher education.

The study must include:

(1) Learning space utilization standards for higher education facilities. The standards may include, but are not limited to:

- (a) The percentage of hours utilized per scheduling window;
- (b) The percentage of seats utilized;
- (c) Square feet per seat; and
- (d) Type of technology utilized in learning spaces.

(2) Reasonableness of cost standards for higher education capital facilities. The standards may include, but are not limited to:

- (a) Costs per square feet per type of facility;
- (b) Expected life-cycle costs; and
- (c) Project schedules that result in realistic, balanced, and predictable expenditure patterns over the ensuing three biennia.

(3) A criteria scoring and prioritization matrix for use by four-year higher education institutions and other decision makers to produce single prioritized lists of higher education capital projects that consists of two components:

- (a) A numeric rating scale that assesses how well a particular project satisfies higher education capital project criteria; and
- (b) A numeric measure to weigh the importance of those criteria.

Appropriation:

State Building Construction Account—State.....	\$150,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$150,000

Sec. 1024. 2017 3rd sp.s. c 4 s 1048 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT
Construction Contingency Pool (90000300)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1077, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State.....	(\$1,853,000)	\$3,251,000
Prior Biennia (Expenditures)	(\$6,147,000)	\$4,749,000
Future Biennia (Projected Costs)	\$0	
TOTAL		\$8,000,000

Sec. 1025. 2018 c 2 s 1040 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Campus Physical Security and Safety Improvements (30000812)

\$550,000 of the appropriation in this section is provided solely for a study to include: (1) An assessment of current capitol campus security, to include infrastructure, technology, and staffing; (2) an assessment of security systems at comparable state capitol campuses; (3) options for security to meet the needs of the capitol campus; and (4) a phased plan for improving campus physical security and safety, including estimated costs. The following must be included in the development of the study: House of representatives security personnel, senate security personnel, legislative building facility and security personnel, and temple of justice security personnel. The study must be submitted to the office of financial management and the appropriate committees of the legislature by (~~August 31~~) December 15, 2018.

Appropriation:

State Building Construction Account—State	\$2,040,000
Thurston County Capital Facilities Account—	
State	(\$550,000)
	\$710,000
<u>Subtotal Appropriation</u>	<u>\$2,750,000</u>
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$550,000
	<u>\$2,750,000</u>

Sec. 1026. 2018 c 2 s 1041 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Statewide Minor Works - Preservation Projects (30000825)

Appropriation:

Enterprise Services Account—State.....	\$314,000
State Building Construction Account—State	(\$2,664,000)
	\$3,506,000
State Vehicle Parking Account—State	\$80,000
Subtotal Appropriation	(\$3,058,000)
	\$3,900,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$9,970,000
TOTAL.....	\$13,028,000
	<u>\$13,870,000</u>

Sec. 1027. 2018 c 2 s 1042 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Building Envelope Repairs (30000829)

Appropriation:

Capitol Building Construction Account—State	(\$3,364,000)
	\$2,611,000
State Building Construction Account—State	(\$4,936,000)
	\$2,611,000
Subtotal Appropriation	(\$8,300,000)
	\$5,222,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$8,300,000
	<u>\$5,222,000</u>

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Sec. 1028. 2018 c 2 s 1043 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Engineering and Architectural Services: Staffing (30000889)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for architectural and engineering services to manage public works contracting for all state facilities pursuant to RCW 43.19.450.

(2) At the end of each fiscal year, the department must report to the office of financial management and the fiscal committees of the legislature on performance, including the following:

- (a) The number of projects managed by each manager compared to previous biennia;
(b) Projects that were not completed on schedule and the reasons for the delays; and
(c) The number and cost of the change orders and the reason for each change order.

(3) At least twice per year, the department shall convene a group of private sector architects, contractors, and state agency facilities personnel to share, at a minimum, information on high performance methods, ideas, operating and maintenance issues, and cost. The facilities personnel must be from the community and technical colleges, the four-year institutions of higher education, and any other state agencies that have recently completed a new building or are currently in the construction phase.

(4) The department shall create a plan for scheduled renovations on the capitol campus, to include phasing and swing space for the predesigns for the department of transportation building, temple of justice, and employment security building.

Table with 2 columns: Description and Amount. Rows include State Building Construction Account, Thurston County Capital Facilities Account, Subtotal Appropriation, Prior Biennia (Expenditures), Future Biennia (Projected Costs), and TOTAL.

Sec. 1029. 2018 c 2 s 1045 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

1063 Building Furniture and Equipment (40000029)

The appropriation in this section is subject to the following conditions and limitations: ((2,414,000)) 1,560,000 is provided solely for the department for furniture, fixtures, and equipment for common areas in the building.

Table with 2 columns: Description and Amount. Rows include Thurston County Capital Facilities Account, Prior Biennia (Expenditures), Future Biennia (Projected Costs), and TOTAL.

NEW SECTION. Sec. 1030. A new section is added to 2018 c 2 (uncodified) to read as follows: FOR THE

DEPARTMENT OF ENTERPRISE SERVICES

Buy Clean Washington Pilot (91000447)

The appropriation in this section is subject to the following conditions and limitations:

(1) By June 15, 2018, the department must coordinate with the following projects: (a) Washington State University Tri-Cities academic building, project number 30001190; (b) Western Washington University sciences building addition and renovation, project number 30000768; (c) Shoreline Community College allied health, science, and manufacturing replacement, project number 30000990; (d) secretary of state library archive building, project number 30000033; and (e) the department of transportation SR9/Snohomish river bridge replacement, project number N00900R. The awarding authorities for these projects must collaborate with the University of Washington college of built environments study in section 5014 of this act to test proposed methods and availability of environmental product declarations.

(2) An awarding authority for the projects listed in subsection (1) of this section shall require the successful bidder for a contract to submit current third-party verified environmental product declarations for the eligible materials used if available and currently utilized.

(3) The awarding authority shall report to the department the quantities and any environmental product declarations collected in this section.

(4)(a) The department shall provide a preliminary report to the fiscal committees of the legislature by June 30, 2019, of the findings in subsection (1) of this section, and on any obstacles to the implementation of this section, and the effectiveness of this section with respect to reducing carbon emissions.

(b) The department shall report any positive or negative impacts to project costs, based on the requirements in this section.

(c) The department shall report on any positive or negative economic impacts to Washington state based on where the eligible materials are purchased.

(5) For the purposes of this section:

- (a) "Eligible materials" include any of the following that function as part of a structural system or structural assembly:
(i) Concrete, including structural cast in place, shotcrete, and precast;
(ii) Unit masonry;
(iii) Metal of any type; and
(iv) Wood of any type including, but not limited to, wood composites and wood laminated products.

(b) "Environmental product declaration" means a facility-specific type III environmental product declaration, as defined by the international organization for standardization standard 14025, or similarly robust life-cycle assessment methods that have uniform standards in data collection consistent with international organization for standardization standard 14025, industry acceptance, and integrity.

(c) "Structural" means a building material or component that has, but is not limited to having, the following properties: Supports gravity loads of either building floors or roofs, or both, and is the primary lateral system resisting wind and earthquake loads, such as shear walls, braced frames, or moment frames, and includes foundations, below-grade walls, and floors.

Table with 2 columns: Description and Amount. Rows include State Building Construction Account, Prior Biennia (Expenditures), Future Biennia (Projected Costs), and TOTAL.

NEW SECTION. Sec. 1031. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF ENTERPRISE SERVICES**
Roof Replacement - Cherberg and Insurance Buildings (40000032)

Appropriation:
State Building Construction Account—State..... \$2,400,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$2,400,000

NEW SECTION. Sec. 1032. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**
Legislative Building Exterior Preservation Cleaning (40000033)

Appropriation:
State Building Construction Account—State..... \$3,400,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$3,400,000

Sec. 1033. 2018 c 2 s 1049 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Relocate Mural from GA to 1063 (92000018)

The appropriation in this section is subject to the following conditions and limitations: The general fund—private/local account appropriation is contingent upon the receipt of funds from nonstate entities to relocate the mosaic mural from the general administration building to the 1063 block replacement building.

Appropriation:
State Building Construction Account—State..... \$275,000
General Fund—Private/Local \$118,000
Subtotal Appropriation \$393,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$275,000
\$393,000

Sec. 1034. 2018 c 2 s 1036 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Capitol Lake Long-Term Management Planning (30000740)

The appropriation in this section is subject to the following conditions and limitations: The department shall develop an environmental impact statement to consider alternatives for Capitol Lake. The alternatives considered must include, at a minimum, a lake option, an estuary option, and a hybrid option. The environmental impact statement will also consider sediment transport and locations within lower Budd Inlet. The department must work with affected stakeholders to develop mitigation plans. The environmental impact statement must also consider an expanded area around Capitol Lake and Budd Inlet including the Port of Olympia for the economic analysis. The environmental impact statement must consider the use of equal funding from nonstate entities including, but not limited to, local governments, special purpose districts, tribes, and not-for-profit organizations.

Appropriation:
State Building Construction Account—State ((\$2,500,000))
\$4,000,000

Prior Biennia (Expenditures)..... \$0
Future Biennia (Projected Costs)..... ((\$940,000))
\$0
TOTAL..... \$3,440,000
\$4,000,000

NEW SECTION. Sec. 1035. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF ENTERPRISE SERVICES**
Newhouse Replacement (92000020)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for a predesign study to determine space needs and cost estimates necessary to replace the Irv Newhouse Building and add house of representatives office space with a building or buildings to serve the legislative office needs on west campus.

(1) In determining the program space required the predesign will consider:

- (a) The necessary program space required to support senate offices and support functions;
 - (b) The necessary program space required to support house offices and support functions; and
 - (c) Parking impacts of new office space construction.
- (2) The study will consider, at a minimum the following three options:

(a) A 50,000 to 70,000 square foot office building to support senate offices, with four levels of underground parking, and a 50,000 to 70,000 square foot office building to support house offices to be located on the Pritchard Building parking lot, with necessary underground parking.

(b) A 115,000 to 140,000 square foot office building to support both house and senate offices with four levels of underground parking.

(c) A 50,000 to 70,000 square foot office building to support senate offices, with no parking.

(3) In conducting the study, the department must consult with the house of representatives, the senate, and the tenants.

(4) The buildings must be high performance buildings and meet net-zero-ready standards, with an energy use intensity of no greater than 35. The building construction must be procured using a performance-based method such as design build and must include an energy performance guarantee comparing actual performance data with the energy design target.

Appropriation:
State Building Construction Account—State \$450,000
Prior Biennia (Expenditures)..... \$0
Future Biennia (Projected Costs)..... \$0
TOTAL..... \$450,000

Sec. 1036. 2018 c 2 s 1050 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

Thurston County Readiness Center (30000594)

Appropriation:
General Fund—Federal \$33,315,000
State Building Construction Account—State ((\$7,863,000))
\$8,600,000
Military Department Capital Account—State ((\$375,000))
\$802,000
Subtotal Appropriation ((\$41,553,000))

\$42,717,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$41,553,000</u>
	<u>\$42,717,000</u>

Sec. 1037. 2018 c 2 s 1051 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

Minor Works Preservation 2017-19 Biennium (30000811)

Appropriation:

General Fund—Federal.....	(\$3,776,000)
	<u>\$3,933,000</u>
State Building Construction Account—State.....	\$1,821,000
<u>Military Department Capital Account—State.....</u>	<u>\$51,000</u>
Subtotal Appropriation	(\$5,597,000)
	<u>\$5,805,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$5,597,000</u>
	<u>\$5,805,000</u>

Sec. 1038. 2018 c 2 s 1052 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

Minor Works Program 2017-19 Biennium (30000812)

Appropriation:

General Fund—Federal.....	(\$10,171,000)
	<u>\$21,961,000</u>
<u>Military Department Capital Account—State.....</u>	<u>\$75,000</u>
State Building Construction Account—State.....	\$2,661,000
Subtotal Appropriation	(\$12,832,000)
	<u>\$24,697,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$12,832,000</u>
	<u>\$24,697,000</u>

**PART 2
HUMAN SERVICES**

Sec. 2001. 2018 c 2 s 2001 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Omnibus Minor Works (30000021)

Appropriation:

State Building Construction Account—State.....	(\$740,000)
	<u>\$800,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$740,000</u>
	<u>\$800,000</u>

Sec. 2002. 2018 c 2 s 2002 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Behavioral Health: Compliance with Systems Improvement Agreement (30003849)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6008, chapter 4, Laws of 2017, 3rd sp.

sess.

Reappropriation:

State Building Construction Account—State	\$2,720,000
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Appropriation:

<u>State Building Construction Account—State</u>	<u>\$2,900,000</u>
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Prior Biennia (Expenditures).....	\$3,280,000
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$6,000,000</u>
	<u>\$8,900,000</u>

Sec. 2003. 2018 c 2 s 2006 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation Projects: Statewide (30002235)

Appropriation:

State Building Construction Account—State ..	(\$12,000,000)
	<u>\$12,530,000</u>

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$171,510,000
TOTAL.....	<u>\$183,510,000</u>
	<u>\$184,040,000</u>

Sec. 2004. 2018 c 2 s 2008 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Echo Glen - Housing Unit: Acute Mental Health Unit (30002736)

Appropriation:

State Building Construction Account—State	(\$9,520,000)
	<u>\$9,806,000</u>

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$9,520,000</u>
	<u>\$9,806,000</u>

Sec. 2005. 2018 c 2 s 2009 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Statewide - RA Community Facilities: Safety & Security Improvements (30002737)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State.....	(\$2,000,000)
	<u>\$200,000</u>

<u>State Building Construction Account—State</u>	<u>\$1,800,000</u>
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<u>Subtotal Appropriation</u>	<u>\$2,000,000</u>
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Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$2,000,000</u>

NEW SECTION. Sec. 2006. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**
Fircrest School - Nursing Facilities: Replacement (30002755)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) A predesign must include the following options: (i) An option with capacity for 100 beds of the intermediate care

facility residents with either new construction or remodel of an existing building; (ii) an option with capacity for 100 to 150 beds of the intermediate care facility residents with either new construction or remodel of an existing building; and (iii) purchase of a recently closed nursing facility in King county.

(b) Options must include the number of beds required, necessary staffing models, total operating costs with fund sources, and laundry options. The report must include methods to include up to 10 percent of the beds as adaptive for other uses. The report must also address moving residents with an option for a compressed schedule.

(2) The predesign must be reported to the fiscal committees of the house and senate by November 1, 2018.

Appropriation:

State Building Construction Account—State.....	\$300,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$17,115,000
TOTAL	\$17,415,000

NEW SECTION. Sec. 2007. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**
Rainier School - Nursing Facility (92000027)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) A predesign must include the following options: (i) An option with capacity for 100 beds of the intermediate care facility residents with either new construction or remodel of an existing building; (ii) an option with capacity for 100 to 150 beds of the intermediate care facility residents with either new construction or remodel of an existing building; and (iii) purchase of a recently closed nursing facility in Pierce county.

(b) Options must include the number of beds required, necessary staffing models, total operating costs with fund sources, and laundry options. The report must include methods to include up to 10 percent of the beds as adaptive for other uses. The report must also address moving residents with an option for a compressed schedule.

(2) The predesign must be reported to the fiscal committees of the house and senate by November 1, 2018.

Appropriation:

State Building Construction Account—State.....	\$300,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$17,115,000
TOTAL	\$17,415,000

Sec. 2008. 2018 c 2 s 2012 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Green Hill School - Recreation Building: Replacement (30003237)

Appropriation:

State Building Construction Account—State.....	(\$1,312,000)	\$1,200,000
Prior Biennia (Expenditures)	\$0	
Future Biennia (Projected Costs)	\$11,000,000	
TOTAL	\$12,312,000	\$12,200,000

Sec. 2009. 2018 c 2 s 2013 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Child Study and Treatment Center: CLIP Capacity (30003324)

Appropriation:

State Building Construction Account—State ..	(\$12,130,000)	\$12,494,000
Prior Biennia (Expenditures)	\$0	
Future Biennia (Projected Costs)	\$0	
TOTAL	\$12,130,000	\$12,494,000

Sec. 2010. 2018 c 2 s 2014 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center - King County SCTF: Expansion (30003564)

The appropriation in this section is subject to the following conditions and limitations: No funds may be allotted until the department consults with the city of Seattle.

Appropriation:

State Building Construction Account—State	(\$2,570,000)	\$2,610,000
Prior Biennia (Expenditures)	\$0	
Future Biennia (Projected Costs)	\$0	
TOTAL	\$2,570,000	\$2,610,000

NEW SECTION. Sec. 2011. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Yakima Valley School - Multiple Buildings: Safety Improvements (30003573)

Appropriation:

State Building Construction Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

Sec. 2012. 2018 c 2 s 2021 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest School: Campus Master Plan & Rezone (30003601)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is for the fircrest school campus master plan and rezone.

(2) At any time during the 2017-2019 biennium, the department of social and health services may transfer to the department of health approximately five acres east of the existing department of health property for the purpose of future expansion of the public health laboratory by the department of health, in accordance with the master plans of both agencies. Funds appropriated in this section may be used for expenses incidental to the transfer of the property.

(3) The department must consult with the north city water district in any planning meetings on the fircrest master plan.

Appropriation:

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Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$200,000

Sec. 2013. 2018 c 2 s 2024 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital - Building 28: Treatment & Recovery Center (40000024)

Appropriation:	
State Building Construction Account—State.....((\$1,000,000))	\$600,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$6,475,000
TOTAL	\$7,475,000
	\$7,075,000

Sec. 2014. 2018 c 2 s 2025 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital Forensic Ward (91000050)

Appropriation:	
State Building Construction Account—State.....((\$2,800,000))	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,800,000
	\$3,000,000

Sec. 2015. 2018 c 2 s 2026 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Wards Renovations for Forensic Services (40000026)

The appropriation in this section is subject to the following conditions and limitations: Up to \$1,560,000 of the appropriation is for predesign and design of the building 29 civil to forensic capacity conversion project. However, the renovation of sixty beds in building 29 for forensic capacity is not subject to predesign requirements. The department must immediately start the sixty bed renovation project and may use a general contractor/construction manager or progressive design build for the renovation of the sixty beds.

Appropriation:	
State Building Construction Account—State.....((\$1,560,000))	\$10,560,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$9,600,000
TOTAL	\$11,160,000
	\$20,160,000

NEW SECTION. Sec. 2016. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Western State Hospital: Renovations for Treatment Recovery Center (40000029)

Appropriation:	
State Building Construction Account—State.....	\$400,000

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$4,875,000
TOTAL.....	\$5,275,000

NEW SECTION. Sec. 2017. 2018 c 2 s 2030 (uncodified) is repealed.

NEW SECTION. Sec. 2018. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**
Pine Lodge Behavioral Rehabilitation Services (91000061)

Appropriation:	
State Building Construction Account—State	\$1,400,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$1,400,000

NEW SECTION. Sec. 2019. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**
Eastern State Hospital-Westlake: New HVAC DDC Controls (30002759)

Appropriation:	
State Building Construction Account—State	\$2,400,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$2,400,000

NEW SECTION. Sec. 2020. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**
Eastern State Hospital: Additional Forensic Ward (91000062)

Appropriation:	
State Building Construction Account—State	\$3,500,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$3,500,000

NEW SECTION. Sec. 2021. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**
Juvenile Confinement Facilities Expansion (92000028)

The appropriation in this section is subject to the following conditions and limitations:

(1) The department shall develop a predesign study that provides an assessment of beds required to support the requirements of legislation, including chapter . . . (Substitute House Bill No. 2895), Laws of 2018 and chapter . . . (Engrossed Second Substitute Senate Bill No. 6160), Laws of 2018.

(2) The study must assess (a) the inventory of available beds in any state facility or other public facility that may be available for this purpose including county facilities and surplus state facilities; (b) any costs required to make the beds useable for the purposes in this section; (c) the schedule for each facility to be available; and (d) any obstacles that may prevent the use of the facility.

Appropriation:	
State Building Construction Account—State	\$250,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$250,000

Sec. 2022. 2018 c 2 s 2031 (uncodified) is amended to read

as follows:

FOR THE DEPARTMENT OF HEALTH
Newborn Screening Wing Addition (30000301)

Appropriation:

State Building Construction Account—State.....	(\$2,510,000)
	<u>\$2,585,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$2,510,000</u>
	<u>\$2,585,000</u>

NEW SECTION. Sec. 2023. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Retsil Building 10 (40000004)

Appropriation:

State Building Construction Account—State.....	\$750,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$750,000

NEW SECTION. Sec. 2024. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Soldiers Home Cemetery Restoration and Preservation (91000011)

Appropriation:

State Building Construction Account—State.....	\$250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$250,000

Sec. 2025. 2018 c 2 s 2042 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS
CBCC: Boiler Replacement (30000130)

The appropriation in this section is subject to the following conditions and limitations: The ~~((appropriation is provided solely for the department to develop a pre-design. The))~~ department shall develop a predesign for replacing the current boilers. The alternatives must include replacing the current boiler configuration with three or ~~((less))~~ fewer boilers with a life cycle cost analysis that identifies the most efficient solution over thirty years. At least one alternative must consider cogeneration. The office of financial management must approve the predesign before design funds are ~~((allotted))~~ allotted.

Appropriation:

State Building Construction Account—State.....	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. Sec. 2026. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF CORRECTIONS**

CBCC: Replace Fire Alarm System (30000748)

Appropriation:

State Building Construction Account—State.....	\$355,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$355,000

NEW SECTION. Sec. 2027. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF CORRECTIONS**

WCCW: Bldg E Roof Replacement (30000810)

Appropriation:

State Building Construction Account—State	\$2,696,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$2,696,000

Sec. 2028. 2018 c 2 s 2046 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS
CBCC: Access Road Culvert Replacement and Road Resurfacing (30001078)

Appropriation:

State Building Construction Account—State	(\$1,100,000)
	<u>\$2,180,000</u>
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$1,100,000</u>
	<u>\$2,180,000</u>

Sec. 2029. 2018 c 2 s 2047 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS
WSP: Program and Support Building (30001101)

Appropriation:

State Building Construction Account—State	(\$8,685,000)
	<u>\$9,685,000</u>
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$8,685,000</u>
	<u>\$9,685,000</u>

Sec. 2030. 2018 c 2 s 2054 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS
Correctional Industries: Laundry Feasibility Study (40000002)

The appropriation in this section is subject to the following conditions and limitations:

(1) The department shall conduct a feasibility study to assess whether correctional industries can efficiently provide laundry services to Lakeland Village, eastern state hospital, and/or the Spokane veteran's home.

The study shall include: (a) The identification of the resources required, including the estimated capital and operating investment costs and ongoing operating costs for the department at the airway heights corrections center to provide laundry services to the facilities referenced in this section; (b) an assessment of contraband management and the resources needed to do so; (c) an assessment of how the department will meet health regulations for laundry in a hospital setting; (d) the advantages and disadvantages of the department providing laundry services to the facilities referenced in this section; and (e) identification of logistics and operations to meet the demands.

The department shall provide the feasibility study to the office of financial management and appropriate committees of the legislature by ~~((October 15))~~ December 15, 2018.

(2) The department of social and health services and the department of veterans affairs shall provide to the department of

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corrections detailed information on their current laundry operations at Lakeland Village, eastern state hospital and the Spokane veteran's home including but not limited to pounds of laundry per day, staffing, equipment inventory, materials purchased, and estimated utility costs.

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$35,389,000</u>
	<u>\$35,464,000</u>

Appropriation:

State Building Construction Account—State.....	\$250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$250,000

NEW SECTION. Sec. 3002. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF ECOLOGY**
2017-19 Remedial Action Grants (30000707)

Appropriation:

Local Toxics Control Account—State.....	\$5,877,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$80,000,000
TOTAL.....	\$85,877,000

NEW SECTION. Sec. 2031. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**
L&I HQ Elevators (30000018)

NEW SECTION. Sec. 3003. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF ECOLOGY**
2017-19 Eastern Washington Clean Sites Initiative (30000742)

Appropriation:

Accident Account—State	\$517,000
Medical Aid Account—State.....	\$517,000
Subtotal Appropriation	\$1,034,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,900,000
TOTAL	\$3,934,000

Appropriation:

State Toxics Control Account—State.....	\$1,740,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$40,000,000
TOTAL.....	\$41,740,000

**PART 3
NATURAL RESOURCES**

Sec. 3001. 2018 c 2 s 3010 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY
Floodplains by Design 2017-19 (30000706)

NEW SECTION. Sec. 3004. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF ECOLOGY**
2017-19 Clean Up Toxic Sites - Puget Sound (30000749)

The appropriation in this section is subject to the following conditions and limitations:

Appropriation:

State Toxics Control Account—State.....	\$2,182,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$40,000,000
TOTAL.....	\$42,182,000

(1)(a) \$75,000 of the appropriation is provided solely for the department of ecology to convene and facilitate a stakeholder process to review and make recommendations for the statutory authorizations and improvements of the floodplains by design grant program.

Sec. 3005. 2018 c 2 s 3021 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY
2017-19 Stormwater Financial Assistance Program (30000796)

(b) The review must include an analysis of:

The appropriation in this section is subject to the following conditions and limitations: \$10,000,000 of the appropriation is provided solely for grants for stormwater retrofit projects consistent with the immediate actions and recommendations developed by the southern resident killer whale recovery efforts that reduce stormwater pollutants in areas where southern resident killer whales are regularly present.

(i) Statewide funding needs;

(ii) Program design, including criteria, information, and coordination required for projects to proceed through the selection and funding processes in a transparent and efficient manner; and

(iii) Mechanisms to improve efficiency and transparency of project funding and implementation.

(c) The department of ecology may convene stakeholders and facilitate activities as needed. The department must develop recommendations in consultation with the Puget Sound partnership. The department must seek input and meaningfully involve a broad base of tribal governments and interested stakeholders, including city and county governments, and agricultural, flood risk reduction, and conservation interests. The department must seek broad and diverse legislative input and invite interested legislators to provide information and ideas including, at a minimum, the majority and minority leadership of the committees responsible for the capital budget in the senate and house of representatives.

(d) The final report must include recommended statutory and policy changes to the appropriate committees of the legislature on or before December 1, 2018.

Appropriation:

State Building Construction Account—State	\$25,000,000
State Toxics Control Account—State.....	\$11,400,000
Subtotal Appropriation	\$36,400,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$120,000,000
TOTAL.....	<u>\$145,000,000</u>
	<u>\$156,400,000</u>

Sec. 3006. 2018 c 2 s 3015 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY
Columbia River Water Supply Development Program (30000712)

Appropriation:

State Building Construction Account—State...((\$35,389,000))	
	<u>\$35,464,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$10,000,000 of the appropriations are provided solely for the east Columbia basin irrigation district.

(2) \$5,000,000 of the appropriations are provided solely for a ~~((forty seven and one half mile pipeline for full capacity. Funds must be prioritized to constructing the distribution system to a capacity serving no less than eleven thousand acres))~~ ground water replacement distribution system with a pump station located at east low canal mile 47.5. Funds must be prioritized to include costs associated with the pump station, pumps and electrical/power grid system that has the capacity to ultimately serve 10,500 eligible acres in the distribution service area. Any remaining funds must be directed to the Odessa groundwater replacement program.

(3) \$2,000,000 of the appropriations are provided solely for Icycle Creek integrated planning.

(4) \$16,800,000 of the appropriations are provided solely for the department to fund existing projects and staffing.

Appropriation:

State Building Construction Account—State.....	\$19,550,000
Columbia River Basin Water Supply Development Account—State.....	\$12,250,000
Columbia River Basin Water Supply Revenue Recovery Account—State.....	\$2,000,000
Subtotal Appropriation	\$33,800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$72,000,000
TOTAL	\$105,800,000

Sec. 3007. 2018 c 2 s 3018 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Water Irrigation Efficiencies Program (30000740)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for technical assistance and grants to conservation districts for the purpose of implementing water conservation measures and irrigation efficiencies. The department and the state conservation commission shall give preference to projects located in the 16 fish critical basins, other water-short or drought impacted basins, and basins with significant water resource and instream flow issues. Projects that are not within the basins described in this subsection are also eligible to receive funding.

(2) Conservation districts statewide are eligible for grants listed in subsection (1) of this section. A conservation district receiving funds shall manage each grant to ensure that a portion of the water saved by the water conservation measure or irrigation efficiency will be placed as a purchase or a lease in the trust water rights program to enhance instream flows. The proportion of saved water placed in the trust water rights program must be equal to the percentage of the public investment in the conservation measure or irrigation efficiency. The percentage of the public investment may not exceed eighty-five percent of the total cost of the conservation measure or irrigation efficiency.

(3) Up to \$300,000 of the appropriation in this section may be allocated for the purchase and installation of flow meters that are implemented in cooperation with the Washington state department of fish and wildlife fish screening program authorized under RCW 77.57.070.

(4) \$2,500,000 of the appropriation is provided solely for a grant to the Union Gap irrigation district to mitigate potential

asset loss associated with Rattlesnake Ridge landslide in Yakima county and includes, but is not limited to, construction of a pumping station adjacent to the Sunnyside irrigation district canal and installation of pipe and conveyance under the Yakima Valley highway to the Union Gap irrigation canal. The grant must require that the Union Gap irrigation district should pursue funding or reimbursement of costs from potential sources of reimbursement. The grant must further require that, if the total proceeds exceed total mitigation costs for this work, the irrigation district must reimburse the difference up to the amount paid by the state to the state conservation commission.

Appropriation:

State Building Construction Account—State	((\$4,000,000))	\$6,500,000
Prior Biennia (Expenditures).....		\$0
Future Biennia (Projected Costs).....		\$0
TOTAL.....	\$4,000,000	\$6,500,000

Sec. 3008. 2018 c 2 s 3025 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

VW Settlement Funded Projects (4000018)

~~((The appropriation in this section is subject to the following conditions and limitations:~~

~~(1) The legislature finds that it is appropriate to provide a framework for the administration of mitigation funds provided to the state as a beneficiary under the terms of the consent decrees entered into by the United States, Volkswagen AG, and other participating parties that settle emissions related claims for 2.0 and 3.0 liter diesel vehicles of certain models and years. The legislature deems the department of ecology the responsible agency for the administration and expenditure of funds provided by the trustee under the terms of the consent decrees, including the development of a mitigation plan to guide the use of the funds, whether or not the department receives funds directly for projects included in the plan.~~

~~(2)(a) The department of ecology shall develop the mitigation plan through an open, transparent public process consistent with direction in the consent decrees. The department shall provide ample opportunity using a variety of engagement options, as appropriate, for stakeholders and the public to shape, review, and comment throughout the development of the mitigation plan, including at least two meetings of the legislative advisory group as described in (c) of this subsection.~~

~~(b) The department of ecology shall work collaboratively with other agencies to develop and implement the elements of the mitigation plan that address categories of projects for which other agencies have already developed programs or expertise. In doing so, the department of ecology must consider and utilize, where appropriate and to the extent possible, the following existing programs for alternative fuels and zero emission vehicles:~~

~~(i) The department of transportation's electric vehicle infrastructure bank program;~~

~~(ii) The state alternative fuel commercial vehicle tax credit;~~

~~(iii) The state sales and use tax exemption for clean vehicles; and~~

~~(iv) Public transportation grant programs administered by the department of transportation.~~

~~(e)(i) For the purposes of providing legislative input and gathering public feedback on the development of the mitigation plan, a legislative advisory group is established. The advisory group is comprised of eight legislators, including the chairs and~~

ranking members, or designees of the chairs and ranking members, of the transportation and capital budget committees in the House and in the Senate; the director of the department of ecology; and the secretary of the department of transportation.

(ii) The advisory group must select a chair from among its membership. Meetings of the advisory group must be open to the public and allow for public comment.

(iii) The advisory group must meet at least twice, once immediately prior to the date that the draft mitigation plan is released publicly, and again after public comment has been incorporated but before the department submits the plan to the trustee.

(iv) The office of program research and the senate committee services must provide staff support to the advisory group. The department of ecology staff must provide technical support, as needed. Legislative members of the advisory group are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, government entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW. Advisory group expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(3) The mitigation plan and the stewardship of project implementation must adhere to the following principles:

(a) Maximize air quality and public health benefits relating to the reduction of nitrogen oxides emissions;

(b) Give priority to projects that improve air quality relating to the reduction of nitrogen oxides emissions in areas that bear a disproportionate share of the burden from nitrogen oxides emissions;

(c) Achieve substantial additional air quality benefits relating to the reduction of nitrogen oxides emissions beyond that which would already occur, absent trust funding;

(d) Investments in clean vehicles or investments in clean engine replacements must be shown to be cost effective. For the purposes of leveraging funding, investments in clean vehicles may not exceed the incremental cost of the clean vehicle, relative to the cost of a similar conventionally fueled vehicle. To incentivize the replacement of standard engines, investments may be made up to the full cost of the clean engine replacement;

(e) Consideration must be given to investments across a range of fueling technologies and emissions reduction technologies; and

(f) Priority must be given to projects that have the highest benefit cost ratios, in terms of the amount of nitrogen oxides emissions reduced per dollar invested.

(4) Funding must be allocated to eligible projects under the terms of the consent decrees in the following manner:

(a)(i) No more than thirty percent of funding provided during the 2017-2019 biennium for commercial vehicle class four through eight transit buses, shuttle buses, and school buses;

(ii) No more than thirty percent of funding provided during the 2017-2019 biennium for commercial vehicle class eight local freight trucks and port drayage trucks;

(iii) No more than twenty percent of funding provided during the 2017-2019 biennium for commercial vehicle class four through seven local freight trucks;

(iv) No more than twenty percent of funding provided during the 2017-2019 biennium for airport ground support equipment;

(v) No more than twenty percent of funding provided during the 2017-2019 biennium for ocean-going vessels' shore power;

(vi) No more than fifteen percent of funding provided during

the 2017-2019 biennium for light duty, zero emission vehicle supply equipment;

(vii) No more than twenty percent of funding provided during the 2017-2019 biennium for nonfederal matching funds for projects eligible under the diesel emission reduction act option; and

(viii) For each of the other categories of mitigation actions that are eligible under the consent decrees but not otherwise specified under this subsection (4)(a), no more than ten percent of funding provided during the 2017-2019 biennium.

(b) Projects that receive funding under subsection (4)(a)(ii) and (iii) of this section and ocean-going vessels shore power projects that receive funding under subsection (4)(a)(viii) of this section must include electric technologies, if practicable.

(5) To the extent this section conflicts with the consent decrees, the consent decrees supersede it.

(6) The department of ecology may modify the mitigation plan as needed to comply with trustee requirements, including to the extent these modifications conflict with this section. In making any adjustments, the department of ecology shall consult with the department of transportation and the office of the superintendent of public instruction and provide notice to the steering committee of any significant changes to the plan submitted.

(7) The department of ecology shall provide a report to the governor and the appropriate committees of the legislature by January 1, 2018, and each year thereafter, on any plans or efforts to change the mitigation plan, its progress in implementing the mitigation plan, and the specific projects funded through these mitigation funds for the previous fiscal year.

(8) For the purposes of this section:

(a) "Project" means an eligible mitigation action under the terms of the consent decrees entered into by the United States, Volkswagen AG, and other participating parties that settle emissions-related claims for 2.0 and 3.0 liter diesel vehicles of certain models and years.

(b) "Trustee" means the entity selected under the terms of the consent decrees to administer the disbursement of funds to eligible projects for the purposes of mitigating nitrogen oxides emission pollution.)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely to implement the requirements of the Volkswagen "clean diesel" marketing, sales practice, and products liability litigation settlement.

(2) All expenditures from this appropriation must:

(a) Be consistent with the terms of this settlement;

(b) Be consistent with the state of Washington beneficiary mitigation plan adopted by the department and approved by the Volkswagen settlement trustee; and

(c) Help achieve the state's results Washington goal of fifty thousand electric vehicles on the road by 2020.

(3) Fifteen percent of this appropriation must be spent on projects for the acquisition, installation, operation, and maintenance of new light duty zero emission vehicle supply equipment and infrastructure. The department of ecology shall work with the department of transportation to select projects and distribute funding contained in this subsection.

(4) The remaining eighty-five percent of this appropriation must be spent on projects as defined by the eligible categories in attachment A, appendix D-2 of the Volkswagen settlement and upon approval by the settlement trustee. The department of ecology shall use a competitive process to identify and select projects that maximize total air pollution reduction and health benefits; improve air quality in areas disproportionately affected

by air pollution; leverage additional matching funds; achieve substantial emission reductions beyond what would occur absent this funding; accelerate fleet turnover to the cleanest engines, and accelerate adoption of electric vehicles, equipment, and vessels. The department of ecology shall work with the department of transportation as appropriate to select projects and distribute funding contained in this subsection.

Appropriation:

General Fund—Private/Local	(\$20,000,000)
	<u>\$112,700,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$20,000,000</u>
	<u>\$112,700,000</u>

NEW SECTION. Sec. 3009. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF ECOLOGY**

Healthy Housing Remediation Program (40000108)

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$5,100,000 of the appropriation is provided solely for the Mount Baker property cleanup project.
- (2)(a) The department, in collaboration with the department of commerce, shall develop a competitive process to select projects for funding, to include scoring conducted by a group of qualified experts from the department of ecology and the department of commerce. The criteria used to determine the scoring and priority for funding must include, but are not limited to, the following:
 - (i) Contaminated sites must be within the urban growth area boundaries;
 - (ii) Contaminated sites must be zoned for residential or mixed-use;
 - (iii) Locational suitability of contaminated sites for the development of affordable housing;
 - (iv) Degree of contamination and complexity of contaminated sites;
 - (v) Timing of delivery of affordable housing units; and
 - (vi) The extent to which the project leverages other funds.
- (b) Funding recipients must restrict the use of the cleaned up property to affordable housing.
- (c) As part of the program, the department of ecology may enter into and administer grants or other funding agreements for contaminated site identification, planning, investigation, or cleanup eligible persons, to ensure the safe and healthy development of property suitable for affordable housing as defined in RCW 43.63A.510(3). Eligible persons means a local government, a potentially liable person, or a prospective purchaser as each of these terms is defined in RCW 70.105D.020.

(d) By October 1, 2018, the department must submit a report to the office of financial management and the legislature. At a minimum, the report must identify:

- (i) Program application and selection process;
- (ii) The total number of applications and amount of funding requested for this program; and
- (ii) A list of projects, description of projects, and location and number of affordable housing units developed or to be developed.

Appropriation:

State Toxics Control Account—State	\$5,100,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs).....	\$20,400,000
TOTAL.....	\$25,500,000

NEW SECTION. Sec. 3010. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF ECOLOGY**

Reduce Air Pollution from Transit/Sch. Buses/State-Owned Vehicles and Vehicles Serving Ports (40000109)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is provided solely for the department of ecology to enter into and administer grants to scrap and replace old, high-polluting diesel school buses, transit buses, and other vehicles with low-emission and zero-emission vehicles.
- (2) All expenditures from this appropriation must be spent on projects that will reduce air pollution, improve public health for thousands of Washington residents, help prevent violations of federal air quality standards, reduce operating costs, and improve transportation reliability for public fleet operators.
- (3) Up to \$12,000,000 of the appropriation is for scrapping and replacing pre-2001, high polluting school buses across the state with diesel or alternate fueled (propane, compressed natural gas, zero emission, etc.) school buses that meet current federal emissions standards.
- (4) Up to \$9,750,000 of the appropriation is for scrapping and replacing pre-2007 diesel, high polluting transit buses across the state with new electric, zero-emission buses.
- (5) Up to \$5,450,000 of the appropriation is for replacing state government-owned gas or diesel powered passenger vehicles with all electric vehicles.
- (6) \$1,200,000 is for the Northwest seaport alliance for a clean truck fund managed by a certified community development alliance.

Appropriation:

Air Pollution Control Account—State	\$28,400,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$28,400,000

Sec. 3011. 2018 c 2 s 3027 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY
Water Availability (91000343)

(1) The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for watershed restoration and enhancement projects. If chapter 1 (Substitute Senate Bill No. 6091 (water availability)), Laws of 2018 is not enacted by June 30, 2018, the amounts provided in this section shall lapse.

(2) \$2,500,000 of the appropriation is provided solely for the Dungeness off-channel reservoir, including transaction-related expenses by the department of natural resources.

(3) \$900,000 of the appropriation is provided solely for the Methow valley piping, pressurization, and conveyance system consolidation project.

(4) \$3,000,000 of the appropriation is provided solely for the Colville river watershed plan update and water resource mitigation and enhancement project.

Appropriation:

Watershed Restoration and Enhancement Bond Account—State	\$20,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$280,000,000

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TOTAL \$300,000,000

NEW SECTION. Sec. 3012. A new section is added to 2018 c 2 (uncodified) to read as follows: FOR THE DEPARTMENT OF ECOLOGY

Skagit Water (91000347)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) \$500,000 of the appropriation is provided solely for the department of agriculture, the department of fish and wildlife, and the department of ecology to jointly pursue studies to evaluate instream flow needs and existing and future out-of-stream water use demands within Skagit river water resource inventory area 4 (Upper Skagit) regulated by chapter 173-503 WAC. These studies must be completed and reported to the appropriate legislative committees and task force by December 1, 2019.

(b) These studies must be based on best available science and peer-reviewed by those with demonstrated instream flow expertise.

(2) \$2,000,000 of the appropriation is provided solely for studies identified by the task force established in section 7011 of this act.

Appropriation:

State Building Construction Account—State..... \$2,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$2,500,000

Sec. 3013. 2018 c 2 s 3029 (uncodified) is amended to read as follows:

FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Financing Assistance Pgm 2017-19 (92000001)

Appropriation:

PLIA Underground Storage Tank Revolving

Account—State.....((~~\$20,000,000~~))

\$12,700,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$80,000,000

TOTAL ~~\$100,000,000~~

\$92,700,000

Sec. 3014. 2018 c 2 s 3030 (uncodified) is amended to read as follows:

FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Leaking Tank Model Remedies (30000669)

The appropriation in this section is subject to the following conditions and limitations: The appropriation may be used for staff costs to support the program.

Appropriation:

State Building Construction Account—State..... \$1,106,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,106,000

Sec. 3015. 2018 c 2 s 3031 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Twin Harbors State Park: Renovation (30000086)

Appropriation:

State Building Construction Account—State ((~~\$471,000~~))

\$496,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$25,986,000

TOTAL..... ~~\$26,457,000~~

\$26,482,000

Sec. 3016. 2018 c 2 s 3032 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Flagler - WW1 Historic Facilities Preservation (30000100)

Appropriation:

State Building Construction Account—State ((~~\$3,217,000~~))

\$3,386,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$3,823,000

TOTAL..... ~~\$7,040,000~~

\$7,209,000

Sec. 3017. 2018 c 2 s 3033 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Casey - Lighthouse Historic Preservation (30000109)

Appropriation:

State Building Construction Account—State ((~~\$206,000~~))

\$217,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$1,399,000

TOTAL..... ~~\$1,605,000~~

\$1,616,000

Sec. 3018. 2018 c 2 s 3034 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Simcoe - Historic Officers Quarters Renovation (30000155)

Appropriation:

State Building Construction Account—State ((~~\$277,000~~))

\$292,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$1,478,000

TOTAL..... ~~\$1,755,000~~

\$1,770,000

Sec. 3019. 2018 c 2 s 3035 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Lake Chelan State Park Moorage Dock Pile Replacement (30000416)

Appropriation:

State Building Construction Account—State ((~~\$1,516,000~~))

\$1,596,000

Prior Biennia (Expenditures)..... \$0

Future Biennia (Projected Costs)..... \$0

TOTAL \$1,516,000
\$1,596,000

Sec. 3020. 2018 c 2 s 3036 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Marine Facilities - Various Locations Moorage Float Replacement (30000496)

Appropriation:
 State Building Construction Account—State.....~~(\$541,000)~~
\$569,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$10,639,000
 TOTAL \$11,180,000
\$11,208,000

Sec. 3021. 2018 c 2 s 3037 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Willapa Hills Trail Develop Safe Multi-Use Trail Crossing at SR 6 (30000519)

Appropriation:
 State Building Construction Account—State.....~~(\$401,000)~~
\$422,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$3,817,000
 TOTAL \$4,218,000
\$4,239,000

Sec. 3022. 2018 c 2 s 3038 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Beacon Rock Entrance Road Realignment (30000647)

Appropriation:
 State Building Construction Account—State.....~~(\$348,000)~~
\$366,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$17,346,000
 TOTAL \$17,694,000
\$17,712,000

Sec. 3023. 2018 c 2 s 3039 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Goldendale Observatory - Expansion (30000709)

Appropriation:
 State Building Construction Account—State.....~~(\$2,250,000)~~
\$2,700,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$2,250,000
 TOTAL \$4,500,000
\$4,950,000

Sec. 3024. 2018 c 2 s 3040 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Kopachuck Day Use Development (30000820)

Appropriation:
 State Building Construction Account—State ~~(\$5,538,000)~~
\$5,619,000

Prior Biennia (Expenditures)..... \$296,000
 Future Biennia (Projected Costs)..... \$2,812,000
 TOTAL..... \$8,646,000
\$8,727,000

Sec. 3025. 2018 c 2 s 3044 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Worden – Replace Failing Sewer Lines (30000860)

Appropriation:
 State Building Construction Account—State ~~(\$2,204,000)~~
\$2,320,000

Prior Biennia (Expenditures)..... \$234,000
 Future Biennia (Projected Costs)..... \$0
 TOTAL..... \$2,438,000
\$2,554,000

Sec. 3026. 2018 c 2 s 3045 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Birch Bay - Replace Failing Bridge (30000876)

Appropriation:
 State Building Construction Account—State ~~(\$320,000)~~
\$337,000

Prior Biennia (Expenditures)..... \$0
 Future Biennia (Projected Costs)..... \$1,032,000
 TOTAL..... \$1,352,000
\$1,369,000

Sec. 3027. 2018 c 2 s 3046 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Worden - Pier & Marine Learning Center Improve or Replace (30000950)

Appropriation:
 State Building Construction Account—State ~~(\$697,000)~~
\$734,000

Prior Biennia (Expenditures)..... \$0
 Future Biennia (Projected Costs)..... \$9,072,000
 TOTAL..... \$9,769,000
\$9,806,000

Sec. 3028. 2018 c 2 s 3047 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Field Spring Replace Failed Sewage Syst and Non-ADA Comfort Station (30000951)

~~((The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for a pilot program for new Firelight toilets. The commission may sole source for the equipment. The commission must operate and maintain the equipment for a minimum of two years and report annually to legislative fiscal committees on: (1) The ease of use by parks patrons and (2) the cost and time to maintain the equipment.))~~

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Appropriation:
 State Building Construction Account—State.....((\$1,109,000))
\$1,167,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs)\$0
 TOTAL.....\$1,109,000
\$1,167,000

Sec. 3029. 2018 c 2 s 3048 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Mount Spokane - Maintenance Facility Relocation From Harms Way (30000959)

Appropriation:
 State Building Construction Account—State.....((\$2,018,000))
\$2,124,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs)\$0
 TOTAL.....\$2,018,000
\$2,124,000

Sec. 3030. 2018 c 2 s 3049 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide - Depression Era Structures Restoration Assessment (30000966)

Appropriation:
 State Building Construction Account—State.....((\$1,093,000))
\$1,151,000

Prior Biennia (Expenditures)\$121,000
 Future Biennia (Projected Costs)\$3,859,000
 TOTAL.....\$5,073,000
\$5,131,000

Sec. 3031. 2018 c 2 s 3051 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Dash Point - Replace Bridge (Pedestrian) (30000972)

Appropriation:
 State Building Construction Account—State.....((\$553,000))
\$582,000

Prior Biennia (Expenditures)\$165,000
 Future Biennia (Projected Costs)\$0
 TOTAL.....\$718,000
\$747,000

Sec. 3032. 2018 c 2 s 3055 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Minor Works - Program (30000979)

Appropriation:
 State Building Construction Account—State.....((\$1,845,000))
\$1,491,000

Prior Biennia (Expenditures)\$0
 Future Biennia (Projected Costs)\$0
 TOTAL.....\$1,845,000
\$1,491,000

Sec. 3033. 2018 c 2 s 3056 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Moran Summit Learning Center - Interpretive Facility (30000980)

Appropriation:
 State Building Construction Account—State ((\$964,000))
\$1,015,000

Prior Biennia (Expenditures).....\$0
 Future Biennia (Projected Costs).....\$0
 TOTAL.....\$964,000
\$1,015,000

Sec. 3034. 2018 c 2 s 3057 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Penrose Point Sewer Improvements (30000981)

Appropriation:
 State Building Construction Account—State ((\$428,000))
\$450,000

Prior Biennia (Expenditures).....\$0
 Future Biennia (Projected Costs).....\$0
 TOTAL.....\$428,000
\$450,000

Sec. 3035. 2018 c 2 s 3058 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Palouse Falls Day Use Area Renovation (30000983)

Appropriation:
 State Building Construction Account—State ((\$209,000))
\$220,000

Prior Biennia (Expenditures).....\$0
 Future Biennia (Projected Costs).....\$4,359,000
 TOTAL.....\$4,568,000
\$4,579,000

Sec. 3036. 2018 c 2 s 3059 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Lake Sammamish Sunset Beach Picnic Area (30000984)

Appropriation:
 State Building Construction Account—State ((\$2,622,000))
\$2,760,000

Prior Biennia (Expenditures).....\$0
 Future Biennia (Projected Costs).....\$0
 TOTAL.....\$2,622,000
\$2,760,000

Sec. 3037. 2018 c 2 s 3060 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Water System Renovation (30001016)

Appropriation:
 State Building Construction Account—State ((\$475,000))
\$500,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,996,000
TOTAL	<u>\$5,471,000</u>
	<u>\$5,496,000</u>

Sec. 3038. 2018 c 2 s 3061 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Septic System Renovation (30001017)

Appropriation:

State Building Construction Account—State.....	(\$238,000)
	<u>\$250,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$5,016,000
TOTAL	<u>\$5,254,000</u>
	<u>\$5,266,000</u>

Sec. 3039. 2018 c 2 s 3062 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Electrical System Renovation (30001018)

Appropriation:

State Building Construction Account—State.....	(\$713,000)
	<u>\$750,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$5,058,000
TOTAL	<u>\$5,771,000</u>
	<u>\$5,808,000</u>

Sec. 3040. 2018 c 2 s 3063 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide New Park (30001019)

Appropriation:

State Building Construction Account—State.....	(\$297,000)
	<u>\$313,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$11,114,000
TOTAL	<u>\$11,411,000</u>
	<u>\$11,427,000</u>

Sec. 3041. 2018 c 2 s 3064 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Trail Renovations (Footbridges) (30001021)

Appropriation:

State Building Construction Account—State.....	(\$266,000)
	<u>\$280,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$798,000
TOTAL	<u>\$1,064,000</u>
	<u>\$1,078,000</u>

Sec. 3042. 2018 c 2 s 3065 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Worden Replace Failing Water Lines (30001022)

Appropriation:

State Building Construction Account—State	(\$358,000)
	<u>\$377,000</u>

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$3,817,000
TOTAL.....	<u>\$4,175,000</u>
	<u>\$4,194,000</u>

NEW SECTION. Sec. 3043. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE STATE PARKS AND RECREATION COMMISSION**

Comfort Station Pilot Project (91000433)

The appropriation is provided solely for a pilot program for new fire light toilets. The commission may sole source for the equipment. The commission must operate and maintain the equipment for a minimum of two years and report annually to legislative fiscal committees on: (1) The ease of use by parks patrons and (2) the cost and time to maintain the equipment.

Appropriation:

State Building Construction Account—State	\$1,167,000
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Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$1,167,000</u>

Sec. 3044. 2018 c 2 s 3067 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Steptoe Butte Road Improvements (30001076)

Appropriation:

State Building Construction Account—State	(\$443,000)
	<u>\$466,000</u>

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$3,789,000
TOTAL.....	<u>\$4,232,000</u>
	<u>\$4,255,000</u>

Sec. 3045. 2018 c 2 s 3068 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Cape Disappointment North Head Buildings and Ground Improvements (40000005)

Appropriation:

State Building Construction Account—State	(\$2,560,000)
	<u>\$2,695,000</u>

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$2,560,000</u>
	<u>\$2,695,000</u>

NEW SECTION. Sec. 3046. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE STATE PARKS AND RECREATION COMMISSION**

Statewide Fish Barrier Removal (40000010)

Appropriation:

State Building Construction Account—State	\$300,000
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Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$400,000
TOTAL.....	<u>\$700,000</u>

NEW SECTION. Sec. 3047. A new section is added to

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Statewide - ADA Compliance (30000985)

Appropriation:

State Building Construction Account—State.....	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

NEW SECTION. **Sec. 3048.** A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE STATE PARKS AND RECREATION COMMISSION**
Schafer Relocate Campground (30000532)

Appropriation:

State Building Construction Account—State.....	\$742,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,829,000
TOTAL	\$3,571,000

Sec. 3049. 2017 3rd sp.s. c 4 s 3072 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Steamboat Rock Build Dunes Campground (30000729)

Reappropriation:

State Building Construction Account—State.....	\$2,707,000
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Appropriation:

<u>State Building Construction Account—State.....</u>	<u>\$172,000</u>
Prior Biennia (Expenditures)	\$792,000
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$3,499,000</u>
	<u>\$3,671,000</u>

Sec. 3050. 2018 c 2 s 3075 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Aquatic Lands Enhancement Account (30000413)

The appropriations in this section ((4s)) are subject to the following conditions and limitations: The appropriations in this section ((4s)) are provided solely for the ((Barnum Point waterfront)) list of projects in LEAP capital document No. 2018-9H, developed March 5, 2018.

Appropriation:

<u>State Building Construction Account—State.....</u>	<u>\$10,685,000</u>
Aquatic Lands Enhancement Account—State...((\$1,000,000))	<u>\$1,600,000</u>
<u>Subtotal Appropriation</u>	<u>\$12,285,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$1,000,000</u>
	<u>\$12,285,000</u>

NEW SECTION. **Sec. 3051.** A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE RECREATION AND CONSERVATION OFFICE**
Recreational Assets of Statewide Significance (92000446)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to conduct the study required in section 7012 of this act.

Appropriation:

State Building Construction Account—State	\$100,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$100,000

Sec. 3052. 2018 c 2 s 3091 (uncodified) is amended to read as follows:

FOR THE STATE CONSERVATION COMMISSION
Improve Shellfish Growing Areas 2017-19 (92000012)

The appropriation in this section is subject to the following conditions and limitations: Up to five percent of the appropriation provided in this section may be used by the conservation commission to acquire services of licensed engineers for project development, predesign and design services, and construction oversight for natural resource enhancement and conservation projects. Funding may be used for beach restoration, erosion control, sediment abatement, soft berm, and dynamic revetment projects.

Appropriation:

State Building Construction Account—State	\$4,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$20,000,000
TOTAL.....	\$24,000,000

Sec. 3053. 2018 c 2 s 3092 (uncodified) is amended to read as follows:

FOR THE STATE CONSERVATION COMMISSION
Match for Federal RCPP Program 2017-19 (92000013)

The appropriation in this section is subject to the following conditions and limitations:

(1) The state building construction account—state appropriation is provided solely for a state match to the United States department of agriculture regional conservation partnership.

(2) The commission will, to the greatest extent possible, leverage other state and local projects in funding the match and development of the regional conservation partnership program grant applications.

Appropriation:

State Building Construction Account—State ... ((\$2,000,000))	<u>\$4,000,000</u>
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$1,752,000
TOTAL.....	<u>\$3,752,000</u>
	<u>\$5,752,000</u>

Sec. 3054. 2018 c 2 s 3107 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE
Minor Works - Programmatic (30000782)

The appropriation in this section is subject to the following conditions and limitations:

(1) Up to \$130,000 of the appropriation is provided to review state hatcheries to identify opportunities to increase salmon production with a focus on the needs of the southern resident killer whale. The review must include a survey of existing hatcheries and cost estimates to increase salmon and steelhead production within existing capacity, and to identify where hatcheries could be expanded to increase production. The review must be consistent with the federal endangered species act requirements and tribal treaty obligations. The review must be

conducted in consultation with tribal comanagers, the hatchery scientific review group, and appropriate federal agencies. The review must be provided to the governor's office, the office of financial management, and the fiscal committees of the legislature by October 1, 2018.

(2) Up to \$30,000 is provided for the installation of 15 new fish screens to support the southern resident orca recovery.

(3) Up to \$665,000 is provided for hatchery improvements to increase chinook production to support the southern resident orca recovery.

Appropriation:

State Building Construction Account—State.....	(\$2,000,000)
	<u>\$2,825,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$2,000,000</u>
	<u>\$2,825,000</u>

NEW SECTION. Sec. 3055. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Hurd Creek - Relocate Facilities out of Floodplain (30000830)

Appropriation:

State Building Construction Account—State.....	\$800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$5,849,000
TOTAL	<u>\$6,649,000</u>

NEW SECTION. Sec. 3056. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Scatter Creek Wildlife Area Fire Damage (40000005)

Appropriation:

State Building Construction Account—State.....	\$1,331,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$1,331,000</u>

Sec. 3057. 2018 c 2 s 3119 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Replacement (30000264)

Appropriation:

Resources Management Cost Account—State.....	\$30,000,000
Natural Resources Real Property Replacement—State	(\$30,000,000)
	<u>\$12,300,000</u>
Community and Technical College Forest Reserve Account—State.....	\$1,000,000
Subtotal Appropriation	(\$61,000,000)
	<u>\$43,300,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$61,000,000</u>
	<u>\$43,300,000</u>

Sec. 3058. 2018 c 2 s 3122 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Transfer Program (30000269)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely to the department of natural resources to transfer from trust status certain trust lands of statewide significance deemed appropriate for state parks, fish and wildlife habitats, natural area preserves, natural resources conservation areas, department of natural resources community forest open spaces, or recreation purposes. The approved property for transfer is identified in the LEAP capital document no. 2017-2H, developed June 30, 2017.

(2) Property transferred under this section must be appraised and transferred at fair market value. By ~~((September 30, 2018))~~ June 30, 2019, the department must deposit in the common school construction account the portion of the appropriation in this section that represents the estimated value of the timber on the transferred properties. This transfer must be made in the same manner as timber revenues from other common school trust lands. No deduction may be made for the resource management cost account under RCW 79.64.040. The portion of the appropriation in this section that represents the value of the land transferred must be deposited in the natural resources real property replacement account.

(3) All reasonable costs incurred by the department to implement this section are authorized to be paid out of the appropriations. Authorized costs include the actual cost of appraisals, staff time, environmental reviews, surveys, and other similar costs, and may not exceed one and nine-tenths percent of the appropriation.

(4) By June 30, ~~((2018))~~ 2019, land within the common school trust shall be exchanged for land of equal value held for other trust beneficiaries of the property identified in subsection (1) of this section.

(5) Prior to or concurrent with conveyance of these properties, the department shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section. Fee transfer agreements for properties identified in subsection (1) of this section must include terms that perpetually restrict the use of the property to the intended purpose. Transfer agreements may include provisions for receiving agencies to request alternative uses of the property, provided the alternative uses are compatible with the originally intended public purpose and the department and legislature approves such uses.

(6) The department shall work in good faith to carry out the intent of this section.

(7) By June 30, 2019, the state treasurer shall transfer to the common school construction account any unexpended balance of the appropriation in this section.

Appropriation:

State Building Construction Account—State	\$10,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$10,000,000</u>

Sec. 3059. 2018 c 2 s 3123 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

State Forest Land Replacement (30000277)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$60,000 of the appropriation is provided solely for the department to assess options to replace timber trust revenues for counties with populations of twenty-five thousand or fewer that

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are subject to timber harvest deferrals greater than thirty years due to the presence of wildlife species listed as endangered or threatened under the federal endangered species act. The department must consult with the qualifying counties and other stakeholders in conducting the assessment. The department shall report the findings of its assessment, including recommendations for addressing decreased revenues from state forestlands and improving the forest products economy in the qualifying counties, by December 15, 2018.

(2)(a) The remaining portion of the appropriation is provided solely to the department to transfer from state forestland status to natural resources conservation area status certain state forestlands in counties:

- (i) With a population of twenty-five thousand or fewer; and
- (ii) With risks of timber harvest deferrals greater than thirty years due to the presence of wildlife species listed as endangered or threatened under the federal endangered species act.

(b) This appropriation must be used equally for the transfer of qualifying state forestlands in the qualifying counties.

(3) Property transferred under this section must be appraised and transferred at fair market value, without consideration of management or regulatory encumbrances associated with wildlife species listed under the federal endangered species act. The value of the timber and other valuable materials transferred must be distributed as provided in RCW 79.64.110. The value of the land transferred must be deposited in the park land trust revolving account and be used solely to buy replacement state forestland, consistent with RCW 79.22.060.

(4) Prior to or concurrent with conveyance of these properties, the department shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (2) of this section. Transfer agreements for properties identified in subsection (2) of this section must include terms that restrict the use of the property to the intended purpose.

(5) The department and applicable counties shall work in good faith to carry out the intent of this section. The department will identify eligible properties for transfer, consistent with subsections (2) and (3) of this section, in consultation with the applicable counties, and will not execute any property transfers that are not in the statewide interest of either the state forest trust or the natural resources conservation area program.

Appropriation:

State Building Construction Account—State.....	(\$3,000,000)
	<u>\$4,500,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$3,000,000</u>
	<u>\$4,500,000</u>

NEW SECTION. Sec. 3060. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF NATURAL RESOURCES**

NE Region Storm Damage Road Repair (4000002)

Appropriation:

State Building Construction Account—State.....	\$429,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$429,000

NEW SECTION. Sec. 3061. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF NATURAL RESOURCES**

Paterson Pipeline (91000092)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for developing and constructing an irrigation system, known as the Paterson pipeline, to deliver water from existing water rights owned by the department from the Columbia river to common school trust lands pursuant to conditions and limitations described in section 7004 of this act.

(2) The legislature recognizes and declares that the appropriation in this section constitutes a loan from an asset of the common school trust. The legislature finds that the provisions in section 7004 of this act regarding review and approval of the Paterson pipeline, improvements to common school trust lands by the Paterson pipeline and associated increased value of those lands, eventual loan repayment to the common school trust assets held in the natural resources real property replacement account, and interest to the common school construction account ensure that the interest of the common school trust beneficiaries are protected.

(3) If moneys available in the natural resources real property replacement account that are attributable to the common school trust are not sufficient to achieve the intended purposes of this section, then the department must explore and report alternative solutions to the legislature, including:

- (i) Establishing or joining a local improvement district;
- (ii) Borrowing funds through an alternative financing process, that uses existing water certificates, timber cutting rights, or other trust asset value as a basis for a loan; or
- (iii) Other alternatives as the department may suggest.

Appropriation:

Natural Resources Real Property Replacement Account—State	\$17,700,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$17,700,000

Sec. 3062. 2018 c 2 s 3132 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Public School Seismic Safety Assessment (91000091)

The appropriation in this section is subject to the following conditions and limitations:

(1) The department, in consultation with the office of emergency management, the office of the superintendent of public instruction, and the state board of education, shall develop a prioritized seismic risk assessment that includes seismic safety surveys of public facilities that are subject to high seismic risk as a consequence of high earthquake hazard and soils that amplify that hazard. The seismic safety surveys must be conducted for the following types of public facilities in the following order:

(a) A minimum of twenty-five public school facilities that have a capacity of two hundred fifty or more persons and are routinely used for ((student activities by)) the instruction of students in kindergarten through twelfth grade ((public schools)). The survey must be a representative sample of urban and rural school districts located in different geographical areas of the state; ((and))

(b) Public school facilities with capacity of fewer than two hundred fifty persons; and

(c) Fire stations located within a one-mile radius of a facility described in ((subsection (1)))(a) of this subsection.

(2) The department must coordinate survey efforts made

under subsection (1)(a) and (b) of this section whenever possible.

(3) The initial phase of the prioritized seismic needs assessment of the facilities specified in subsection((*) (1)(a) and (b) shall include, but is not limited to, the following:

(a) An on-site assessment, under the supervision of licensed geologists, of the seismic site class of the soils at the facilities;

(b) An on-site inspection of the facility buildings, including structural systems using structural plans where available, condition, maintenance, and nonstructural seismic hazards following standardized methods by licensed structural engineers;

(c) An estimate of costs to retrofit facilities specified in subsection (1)(a) of this section to life safety standards as defined by the American society of civil engineers; and

(d) An estimate of costs to retrofit facilities specified in subsection (1)(b) of this section to immediate occupancy standards as defined by the American society of civil engineers.

~~((3))~~ (4) The department ((shall develop geographic information system databases of survey data and)) must collect and submit survey data to the superintendent of public instruction in a format compatible with the inventory and condition of schools database. The department must enter into an agreement with the superintendent of public instruction to make any necessary modifications to the inventory and condition of schools database to receive and report the survey data.

(5) The department must share that data with the governor(–the superintendent of public instruction,) and the appropriate legislative committees.

~~((4))~~ (6) The department and the office of the superintendent of public instruction must provide technical assistance to the school facilities sampled to incorporate survey information into their school safety plans.

(7) A preliminary report on the progress of the statewide seismic needs assessment specified in this section shall be submitted to the ((office of financial management and the)) appropriate committees of the legislature by October 1, 2018. The final report and statewide seismic needs assessment shall be submitted to the office of financial management and the appropriate committees of the legislature by June 30, 2019.

Appropriation:

State Building Construction Account—State.....	\$1,200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,200,000

NEW SECTION. Sec. 3063. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE DEPARTMENT OF NATURAL RESOURCES**
Community Forest Program Development (91000093)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$75,000 of the appropriation in this section is provided solely for the department to perform an economic and ownership modeling analysis using as a case study one or more projects proposed through the department’s rural communities partnership initiative, and based on that analysis, further prioritize a list of community forest projects to submit to the legislature as required under chapter 79.155 RCW.

(2) The department must also consult with nonprofit stakeholders, counties, municipalities, tribes, and small and large private forest landowners, in developing a nonstate-owned community forest project list, including a process to prioritize and recommend to the legislature a list of nonstate-owned

community forests. This project list must include projects solicited from both east and west of the crest of the Cascade mountains that have demonstrable community support.

(3) The department must develop a list composed of both nonstate-owned and state-owned community forest projects for legislative consideration by November 1, 2018.

Appropriation:

State Building Construction Account—State	\$75,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$75,000

NEW SECTION. Sec. 3064. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF NATURAL RESOURCES**
Castle Rock/DNR Land Swap (91000094)

Appropriation:

State Building Construction Account—State	\$13,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$13,000

NEW SECTION. Sec. 3065. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF NATURAL RESOURCES**
Port of Willapa Harbor Energy Innovation District (91000099)

Appropriation:

State Building Construction Account—State	\$1,500,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$1,500,000

NEW SECTION. Sec. 3066. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE DEPARTMENT OF NATURAL RESOURCES**
Assessing and Improving Economic Performance of Trust Lands (91000100)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to conduct the asset valuation of state lands and state forestlands held in trust and managed by the department as required in section 7015 of this act.

Appropriation:

State Building Construction Account—State	\$555,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$555,000

Sec. 3067. 2018 c 2 s 3135 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE
Grants to Improve Safety and Access at Fairs (92000003)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$500,000 of the appropriation is provided solely for the Grant county fairgrounds rodeo arena seating replacement.

(2) \$100,000 of the appropriation is provided solely for the Ellensburg rodeo project.

Appropriation:

State Building Construction Account—State	(\$2,000,000)
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	<u>\$2,100,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$2,000,000</u>
	<u>\$2,100,000</u>

**PART 4
TRANSPORTATION**

Sec. 4001. 2018 c 2 s 4001 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL
Fire Training Academy Stormwater Remediation (30000030)

Appropriation:

Fire Service Training Account—State	(\$3,000,000)
	<u>\$3,132,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$3,000,000</u>
	<u>\$3,132,000</u>

Sec. 4002. 2018 c 2 s 4002 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION
Aviation Revitalization Loans (92000003)

The appropriation in this section is subject to the following conditions and limitations:

(1) This appropriation is provided solely for deposit into the public use general aviation airport loan revolving account created in section 7028 ~~((of this act), chapter 2, Laws of 2018 and section 7010 of this act for direct loans to ((political subdivisions of) airport sponsors of public use airports in the state ((and privately owned airports)) for the purpose of improvements ((at public use airports)) that primarily support general aviation activities.~~

(2) The department must convene a community aviation revitalization board to develop criteria for selecting loan recipients, to develop a process for evaluating applications, and to make decisions. The board must consist of the ~~((capital budget)) chairs and ranking minority members of the ((capital budget)) transportation committees of the house of representatives and the senate ((ways and means committee)), and a representative from both the department of transportation's aviation division and the department of commerce. The board must also consist of the following members appointed by the secretary of transportation: One port district official, one county official, one city official, one representative of airport managers, and one representative of a general aviation pilots organization within Washington that has an active membership and established location, chapter, or appointed representative within Washington. The appointive members must initially be appointed to terms as follows: Two members for two-year terms, and three members for three-year terms which must include the chair. Thereafter, each succeeding term must be for three years. The chair of the board must be selected by the secretary of transportation. The members of the board must elect one of their members to serve as vice chair. The director of commerce and the secretary of transportation must serve as nonvoting advisory members of the board.~~

(3) The board may provide loans ~~((to privately owned airports)) for the purpose of airport improvements only if the state is receiving commensurate public benefit, ((such as guaranteed long term)) which must include, as a condition of the loan, a commitment to provide public access to the airport ((as))~~

~~for a ((condition)) period of time equivalent to one and one-half times the term of the loan. For purposes of this subsection, "public use airports" ((that primarily support general aviation activities)) means all public use airports not listed as having more than fifty thousand annual commercial air service passenger enplanements as published by the federal aviation administration.~~

(4) An application for loan funds under this section must be made in the form and manner as the board may prescribe. When evaluating loan applications, the board must prioritize applications that provide conclusive justification that completion of the loan application project will create revenue-generating opportunities. The board is not limited to, but must also use, the following expected outcome conditions when evaluating loan applications:

- (a) A specific private development or expansion is ready to occur and will occur only if the aviation facility improvement is made;
- (b) The loan application project results in the creation of jobs or private sector capital investment as determined by the board;
- (c) The loan application project improves opportunities for the successful maintenance, operation, or expansion of an airport or adjacent airport business park;
- (d) The loan application project results in the creation or retention of long-term economic opportunities; and
- (e) The loan application project results in leveraging additional federal funding for an airport.

(5) The repayment of any loan made from the public use general aviation airport loan revolving account under the contracts for aviation loans must be paid into the public use general aviation airport loan revolving account.

Appropriation:

State Taxable Building Construction Account— State	(\$5,000,000)
	<u>\$2,500,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$5,000,000</u>
	<u>\$2,500,000</u>

**PART 5
EDUCATION**

Sec. 5001. 2017 3rd sp.s. c 4 s 5011 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
2015-17 School Construction Assistance Program (30000169)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5013, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Common School Construction Account— State	(\$209,100,000)
	<u>\$210,120,000</u>
State Building Construction Account—State	\$92,767,000
Subtotal Reappropriation	(\$301,867,000)
	<u>\$302,887,000</u>
Prior Biennia (Expenditures)	\$248,519,000
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$550,386,000</u>
	<u>\$551,406,000</u>

Sec. 5002. 2018 c 2 s 5002 (uncodified) is amended to read

as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Healthy Kids/Healthy Schools (30000184)

The appropriation in this section is subject to the following conditions and limitations:

(1) The office of the superintendent of public instruction, after consulting with maintenance and operations administrators of school districts and the department of health, shall develop criteria for providing funding for specific projects that are consistent with the healthiest next generation priorities. The criteria must include, but are not limited to, the following:

(a) Districts or schools may apply for grants but no single district may receive more than \$200,000 of the appropriation for grants awarded in subsections (3), (4), and (5) of this section;

(b) Any district receiving funding provided in this section must demonstrate a consistent commitment to addressing school facilities' needs; and

(c) Applicants with a high percentage of students who are eligible and enrolled in the free and reduced-price meals program must be prioritized.

(2) A maximum of \$1,000,000 of the appropriation may be used for the replacement of lead-contaminated drinking water fixtures.

(3) A maximum of \$1,000,000 of the appropriation may be used to purchase equipment or make repairs related to improving children's physical health and may include, but is not limited to: Fitness playground equipment, covered play areas, and physical education equipment or related structures or renovation.

(4) A maximum of \$250,000 of the appropriation may be used to purchase equipment or make repairs related to improving children's awareness and participation in sustaining efficient schools and may include, but is not limited to: Dashboards that display energy savings, composting systems, and recycling stations.

(5) The remaining portion of the appropriation is provided solely to purchase equipment or make repairs related to improving children's nutrition and may include, but is not limited to: Garden related structures and greenhouses to provide students access to fresh produce, and kitchen equipment or upgrades.

Appropriation:

Common School Construction Account—State.....	\$3,250,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$24,000,000
TOTAL	\$27,250,000

Sec. 5003. 2018 c 2 s 5006 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2017-19 School Construction Assistance Program (40000003)

The appropriations in this section are subject to the following conditions and limitations: \$1,005,000 of the common school construction account—state appropriation is provided solely for study and survey grants and for completing inventory and building condition assessments for public school districts every six years.

Appropriation:

State Building Construction Account—State.((\$672,423,000))	<u>\$688,207,000</u>
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Common School Construction Account—

State.....	((\$255,581,000))
	<u>\$255,984,000</u>
Common School Construction Account—Federal .	\$3,000,000
School Construction and Skill Centers Building Account—State	\$1,559,000
Subtotal Appropriation	((\$932,563,000))
	<u>\$948,750,000</u>

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$5,136,856,000
TOTAL.....	<u>\$6,069,419,000</u>
	<u>\$6,085,606,000</u>

Sec. 5004. 2018 c 2 s 5007 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Capital Program Administration (40000007)

Appropriation:

Common School Construction Account—State ((\$3,600,000))	<u>\$3,390,000</u>
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Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$13,097,000
TOTAL.....	<u>\$16,697,000</u>
	<u>\$16,487,000</u>

Sec. 5005. 2018 c 2 s 5008 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Career and Technical Education Equipment Grants (91000408)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$72,000 of the appropriation is provided solely for the Bellevue school district for career and technical education equipment.

(2) \$50,000 of the appropriation is provided solely for the Issaquah school district for career and technical education equipment.

(3) \$30,000 of the appropriation is provided solely for the Elma school district for career and technical education equipment.

(4) The remaining portion of the appropriation in this section is provided solely for the superintendent of public instruction to provide career and technical education equipment grants to school districts. The office of the superintendent of public instruction, after consulting with school districts and the workforce training and education coordinating board, shall develop criteria for providing funding and outcomes for specific projects to stay within the appropriation level provided in this section consistent with the following priorities. The criteria must include, but are not limited to, the following:

(a) Districts or schools must demonstrate that the request provides necessary equipment to deliver career and technical education; and

~~(b) ((Districts or schools must demonstrate a consistent commitment to maintaining school facilities and equipment by participating in the asset preservation program administered by the office of the superintendent of public instruction; and~~

~~(e)))~~ Prioritizing applicants with a high percentage of students who are eligible and enrolled in the free and reduced-price meals program.

(5) The superintendent must award grants to applicants on a first-come, first-serve basis if the district or school demonstrates

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that the request meets the criteria set by the office of superintendent of public instruction as described in subsection (4) of this section and the site is prepared to receive the equipment.

(6) No single district may receive more than \$100,000 of the appropriation.

Appropriation:

Common School Construction Account—State.....	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

Sec. 5006. 2017 3rd sp.s. c 4 s 5016 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

NEWTECH Skill Center (Spokane Area Professional-Technical) (92000005)

Reappropriation:

State Building Construction Account—State.....	(\$387,000)
	<u>\$339,000</u>
<u>School Construction and Skill Centers Building</u>	
<u>Account—State.....</u>	<u>\$38,000</u>
<u>Subtotal Reappropriation</u>	<u>\$377,000</u>
Prior Biennia (Expenditures)	(\$21,450,000)
	<u>\$21,460,000</u>
Future Biennia (Projected Costs)	\$0
TOTAL	\$21,837,000

Sec. 5007. 2018 c 2 s 5010 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Distressed Schools (92000041)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$19,586,000 of the appropriation in this section is provided solely for Seattle public schools to address challenges related to extraordinary growth and to maintain and repair existing buildings.

(2) \$1,100,000 of the appropriation in this section is provided solely for the Black Diamond elementary school.

(3) \$500,000 of the appropriation in this section is provided solely for maintenance to improve the health and environment for students and staff at the Eckstein middle school in Seattle.

(4) \$7,900,000 of the appropriation in this section is provided solely for the Frantz H. Coe elementary school in Seattle.

(5) \$3,500,000 of the appropriation in this section is provided solely for the Chief Leschi school's auditorium.

(6) \$2,900,000 of the appropriation in this section is provided solely for the Glacier site middle school in the Highline school district.

(7)(a) \$10,000,000 of the appropriation in this section is provided solely for the Toledo school district;

(b) The Toledo school district must provide a local match equivalent to a minimum of \$7,000,000. The local match may consist of cash; furniture, finishes, and equipment; or like-kind.

(c) If the Toledo school district cannot demonstrate to the office of the superintendent of public instruction that a local match pursuant to (b) of this subsection has been secured by June 30, 2019, the appropriation in (a) of this subsection shall lapse.

Appropriation:

State Building Construction Account—State ..	(\$21,186,000)
	<u>\$45,486,000</u>
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$21,186,000</u>
	<u>\$45,486,000</u>

Sec. 5008. 2018 c 2 s 5009 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Small Rural District Modernization Grants (92000040)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for grants to assist small, rural school districts with total enrollments of one thousand students or less, with school facilities with significant building systems deficiencies, and with such low property values that replacing or modernizing the school facility through the school construction assistance program would present an extraordinary tax burden on property owners or would exceed allowable debt for the district.

(2) (~~(\$11,198,000)~~) \$15,349,000 of the appropriation is provided solely for projects in small rural districts where the school facility does not need to be replaced or require an extensive modernization, but does have significant building system deficiencies. Grants may not exceed \$5,000,000. The office of the superintendent of public instruction shall prepare an expedited grant application process in selecting the grant recipients funded by this subsection.

(3) (~~(\$23,802,000)~~) \$25,651,000 of the appropriation is provided solely for the following projects in the following amounts:

Mount Adams School District K-8 Elementary.....	\$14,277,000
South Bend School District	\$7,712,000
Lopez Island School District	\$1,813,000
Wishkah Valley School	<u>\$576,000</u>
Damman School	<u>\$1,273,000</u>

(4) For projects in this section that are also eligible for funding through the school construction assistance program (SCAP), the office of the superintendent of public instruction must expedite and streamline the SCAP administrative requirements, timelines, and matching requirements in order for the funds provided in this section to be used promptly. Funds provided in this section, plus state funds provided in the SCAP grant, plus available local funds, must not exceed total project costs.

Appropriation:

State Building Construction Account—State ..	(\$35,000,000)
	<u>\$41,000,000</u>
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$35,000,000</u>
	<u>\$41,000,000</u>

NEW SECTION. Sec. 5009. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS**

Academic and Physical Education Building (30000036)

The appropriation in this section is subject to the following conditions and limitations: A predesign study must provide options for modifying an existing building, or multiple

buildings, on the campus that will house the elementary and secondary departments. Five aging and decayed buildings may be demolished with remaining amounts.

Appropriation:	
State Building Construction Account—State.....	\$1,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$45,445,000
TOTAL	\$46,445,000

Sec. 5010. 2018 c 2 s 5015 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS
2017-19 Minor Public Works (30000029)

Appropriation:	
State Building Construction Account—State.....	(\$307,000) \$1,218,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	(\$4,000,000)
	\$0
TOTAL	\$4,307,000 \$1,218,000

Sec. 5011. 2018 c 2 s 5016 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON
Burke Museum (20082850)

Appropriation:	
State Building Construction Account—State...	(\$24,200,000) \$24,900,000
Prior Biennia (Expenditures)	\$29,800,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$54,000,000 \$54,700,000

NEW SECTION. Sec. 5012. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE UNIVERSITY OF WASHINGTON**
College of Engineering Interdisciplinary/Education Research Center (30000492)

Appropriation:	
State Building Construction Account—State.....	\$600,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$49,000,000
TOTAL	\$49,600,000

Sec. 5013. 2018 c 2 s 5021 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON
UW Major Infrastructure (30000808)

Appropriation:	
University of Washington Building Account— State	(\$14,500,000) \$17,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$30,000,000
TOTAL	\$44,500,000 \$47,500,000

NEW SECTION. Sec. 5014. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE UNIVERSITY OF WASHINGTON**

Buy Clean Washington Study (91000022)

The appropriation in this section is subject to the following conditions and limitations:

(1) The University of Washington, led by the college of built environments, in collaboration with the Central Washington University construction management program, the Washington State University architecture and engineering school and the department of enterprise services, shall analyze existing embodied carbon policy and propose methods to categorize structural materials and report structural material quantities and origins.

(2) The colleges shall report to the legislature the methods developed in this section by December 31, 2018. The report must include potential impacts to project costs, both positive and negative, that use the proposed methods in subsection (1) of this section, and potential economic impacts, both positive and negative, to Washington state based on the origin of material purchased.

Appropriation:	
State Building Construction Account—State	\$100,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$100,000

Sec. 5015. 2017 3rd sp.s. c 4 s 5048 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE
Seminar I Renovation (30000125)

Reappropriation:	
State Building Construction Account—State	(\$175,000) \$188,000
Prior Biennia (Expenditures)	(\$225,000) \$212,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$400,000

NEW SECTION. Sec. 5016. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE EVERGREEN STATE COLLEGE**
Historic Lord Mansion (91000029)

The appropriation in this section is subject to the following conditions and limitations:

(1) By July 1, 2018, and subject to approval by The Evergreen State College board of trustees, responsibility for the maintenance, operation, and any subsequent leasing of the historic Lord mansion shall be transferred from the Washington state historical society to The Evergreen State College.

(2) If the transfer pursuant to subsection (1) of this section does not occur by July 1, 2018, the following must occur:

(a) Custody and control of the historic Lord mansion is transferred from the Washington state historical society to the department of enterprise services to be maintained pursuant to the duties of the director defined in RCW 43.19.125; and

(b) The appropriation in this section is made to the department of enterprise services rather than The Evergreen State College.

Appropriation:	
State Building Construction Account—State	\$504,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$504,000

Sec. 5017. 2018 c 2 s 5051 (uncodified) is amended to read

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as follows:

FOR THE WESTERN WASHINGTON UNIVERSITY
Minor Works - Preservation (30000781)

Appropriation:	
State Building Construction Account—State.....	\$1,500,000
Western Washington University Capital Projects	
Account—State.....	(\$6,179,000)
	\$4,679,000
<u>Subtotal Appropriation</u>	<u>\$6,179,000</u>

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$30,000,000
TOTAL	\$36,179,000

Sec. 5018. 2018 c 2 s 5053 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY
Minor Works - Preservation (30000288)

Appropriation:	
State Building Construction Account—State.....	(\$2,000,000)
	\$3,500,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$2,000,000</u>
	\$3,500,000

NEW SECTION. Sec. 5019. A new section is added to 2018 c 2 (uncodified) to read as follows:**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**
Grays Harbor College: Student Services and Instructional Building (30000127)

Appropriation:	
State Building Construction Account—State.....	\$4,151,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$41,162,000
TOTAL	\$45,313,000

Sec. 5020. 2018 c 2 s 5057 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
Clark College: North County Satellite (30000135)

Appropriation:	
State Building Construction Account—State.....	(\$5,212,000)
	\$5,688,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	(\$48,603,000)
	\$49,235,000
TOTAL	<u>\$53,815,000</u>
	\$54,923,000

NEW SECTION. Sec. 5021. A new section is added to 2018 c 2 (uncodified) to read as follows: **FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**
Everett Community College: Learning Resource Center (30000136)

Appropriation:	
State Building Construction Account—State.....	\$4,015,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$45,080,000
TOTAL	\$49,095,000

Sec. 5022. 2018 c 2 s 5058 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Edmonds Community College: Science, Engineering, Technology Bldg (30000137)

Appropriation:	
State Building Construction Account—State ..	(\$37,757,000)
	\$39,257,000

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$37,757,000</u>
	\$39,257,000

Sec. 5023. 2018 c 2 s 5059 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Whatcom Community College: Learning Commons (30000138)

Appropriation:	
State Building Construction Account—State ..	(\$33,960,000)
	\$34,952,000

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$33,960,000</u>
	\$34,952,000

Sec. 5024. 2018 c 2 s 5060 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Big Bend: Professional - Technical Education Center (30000981)

Appropriation:	
State Building Construction Account—State ..	(\$35,063,000)
	\$35,346,000

Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	<u>\$35,063,000</u>
	\$35,346,000

Sec. 5025. 2018 c 2 s 5061 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane: Main Building South Wing Renovation (30000982)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for predesign, design, and construction, which may also serve as bridging documents, design, competition honoraria, project management, and other planning activities including permits.

(2) Criteria for selecting the design-build contractor must include life cycle costs, energy costs, or energy use index. Contractors and architectural and engineering firms may be eligible for additional points during the scoring process if they have experience with the state agency, or if they are considered a small business.

(3) The building must be built using sustainable building standards as defined in section 7009 (~~of this act~~), chapter 2, Laws of 2018.

Appropriation:			
State Building Construction Account—State...((\$24,919,000))			<u>\$2,840,000</u>
	<u>\$25,683,000</u>		
Prior Biennia (Expenditures)	\$0		
Future Biennia (Projected Costs)	\$0		
TOTAL	<u>\$24,919,000</u>		<u>\$31,820,000</u>
	<u>\$25,683,000</u>		<u>\$32,180,000</u>

Sec. 5026. 2018 c 2 s 5062 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Highline: Health and Life Sciences (30000983)

Appropriation:	
State Building Construction Account—State...((\$23,372,000))	
	<u>\$24,221,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>\$23,372,000</u>
	<u>\$24,221,000</u>

Sec. 5027. 2017 3rd sp.s. c 4 s 5076 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clover Park: Center for Advanced Manufacturing Technologies (30000984)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation ((is subject to the provisions of section 5140, chapter 3, Laws of 2015 3rd sp. sess)) in this section is provided solely for predesign and design, which may also serve as bridging documents, design, competition honoraria, project management, and other planning activities including permits.

(2) Funding authorized pursuant to section 7002(7)(f) of this act for construction may be delivered using design-build, as defined by chapter 39.10 RCW, with a guarantee for energy, operations, and maintenance performance. The term for performance guarantee must not be less than one year. The state may use state employees for services not related to building performance.

(3) Criteria for selecting the design-build contractor must include life cycle costs, energy costs, or energy use index. Contractors and architectural and engineering firms may be eligible for additional points during the scoring process if they have experience with the state agency, or if they are considered a small business.

(4) The building may be built using sustainable building standards as defined in section 7009, chapter 2, Laws of 2018.

Reappropriation:	
State Building Construction Account—State.....	\$2,791,000
Prior Biennia (Expenditures)	\$353,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,144,000

Sec. 5028. 2018 c 2 s 5063 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Valley: Wells Hall Replacement (30000985)

Appropriation:	
State Building Construction Account—State.....((\$2,772,000))	

Sec. 5029. 2018 c 2 s 5064 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic: Shop Building Renovation (30000986)

Appropriation:	
State Building Construction Account—State	((\$929,000))
	<u>\$953,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	((\$7,368,000))
	<u>\$7,594,000</u>
TOTAL	<u>\$8,297,000</u>
	<u>\$8,547,000</u>

Sec. 5030. 2018 c 2 s 5065 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce Fort Steilacoom: Cascade Building Renovation - Phase 3 (30000987)

Appropriation:	
State Building Construction Account—State ... ((\$3,438,000))	
	<u>\$3,508,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	((\$29,982,000))
	<u>\$31,035,000</u>
TOTAL	<u>\$33,420,000</u>
	<u>\$34,543,000</u>

Sec. 5031. 2018 c 2 s 5066 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Seattle: Automotive Technology Renovation and Expansion (30000988)

Appropriation:	
State Building Construction Account—State ... ((\$2,241,000))	
	<u>\$2,501,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	((\$21,873,000))
	<u>\$23,187,000</u>
TOTAL	<u>\$24,114,000</u>
	<u>\$25,688,000</u>

Sec. 5032. 2018 c 2 s 5067 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bates: Medical Mile Health Science Center (30000989)

Appropriation:	
State Building Construction Account—State ... ((\$3,150,000))	
	<u>\$3,238,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	((\$39,208,000))
	<u>\$40,484,000</u>

TOTAL \$42,358,000
\$43,722,000

Sec. 5033. 2018 c 2 s 5068 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Shoreline: Allied Health, Science & Manufacturing Replacement (30000990)

Appropriation:
 State Building Construction Account—State.....(\$3,546,000)
\$3,592,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)(\$35,972,000)
\$36,138,000

TOTAL \$39,518,000
\$39,730,000

Sec. 5034. 2018 c 2 s 5070 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Roof Repairs (30001293)

Appropriation:
 Community/Technical Colleges Capital Projects Account—State.....(\$8,433,000)
\$5,307,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$8,433,000
\$5,307,000

Sec. 5035. 2018 c 2 s 5071 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Facility Repairs (30001294)

Appropriation:
 (~~State Building Construction Account—State ...~~ \$1,218,000)
 Community/Technical Colleges Capital Projects Account—State.....(\$25,458,000)
\$16,587,000
 (~~Subtotal Appropriation.....~~ \$26,676,000)

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$26,676,000
\$16,587,000

Sec. 5036. 2018 c 2 s 5072 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Site Repairs (30001295)

Appropriation:
 (~~State Building Construction~~) Community/Technical Colleges Capital Projects Account—State..... \$4,166,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,166,000

Sec. 5037. 2018 c 2 s 5073 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL

COLLEGE SYSTEM

Minor Works - Program (30001368)

Appropriation:
 State Building Construction Account—State ..(\$26,630,000)
\$14,558,000

Community/Technical Colleges Capital Projects
Account—State \$1,831,000
Subtotal Appropriation.....\$16,389,000

Prior Biennia (Expenditures)..... \$0
 Future Biennia (Projected Costs)..... \$0
 TOTAL.....\$26,630,000
\$16,389,000

NEW SECTION. **Sec. 5038.** A new section is added to 2018 c 2 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

North Seattle Library Building Renovation (30001451)

Appropriation:
 State Building Construction Account—State \$3,448,000
 Prior Biennia (Expenditures)..... \$0
 Future Biennia (Projected Costs).....\$28,359,000
 TOTAL.....\$31,807,000

NEW SECTION. **Sec. 5039.** A new section is added to 2018 c 2 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Walla Walla Science and Technology Building Replacement (30001452)

Appropriation:
 State Building Construction Account—State \$1,156,000
 Prior Biennia (Expenditures)..... \$0
 Future Biennia (Projected Costs)..... \$8,727,000
 TOTAL.....\$9,883,000

NEW SECTION. **Sec. 5040.** A new section is added to 2018 c 2 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Cascadia Center for Science and Technology (30001453)

Appropriation:
 State Building Construction Account—State \$3,421,000
 Prior Biennia (Expenditures)..... \$0
 Future Biennia (Projected Costs).....\$37,726,000
 TOTAL.....\$41,147,000

Sec. 5041. 2018 c 2 s 5075 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls: Fine and Applied Arts Replacement (30001458)

Appropriation:
 State Building Construction Account—State (\$2,766,000)
\$2,827,000

Prior Biennia (Expenditures)..... \$0
 Future Biennia (Projected Costs)..... (\$34,728,000)
\$35,449,000
 TOTAL.....\$37,494,000
\$38,276,000

**PART 7
MISCELLANEOUS PROVISIONS**

Sec. 7001. 2018 c 2 s 7001 (uncodified) is amended to read as follows:

RCW 43.88.031 requires the disclosure of the estimated debt service costs associated with new capital bond appropriations. The estimated debt service costs for the appropriations contained in this act are ~~((fifteen million, fifty seven)) sixteen million, three hundred four thousand dollars~~ for the 2017-2019 biennium, ~~((two hundred sixty two million, two hundred ninety)) two hundred eighty two million, two hundred seventeen thousand dollars~~ for the 2019-2021 biennium, and ~~((three hundred sixty six million, four hundred seventy five)) three hundred ninety-seven million, nine hundred fifty-two thousand dollars~~ for the 2021-2023 biennium.

Sec. 7002. 2018 c 2 s 7002 (uncodified) is amended to read as follows:

ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS.

(1) The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

(2) Those noninstructional facilities of higher education institutions authorized in this section to enter into financial contracts are not eligible for state funded maintenance and operations. Instructional space that is available for regularly scheduled classes for academic transfer, basic skills, and workforce training programs may be eligible for state funded maintenance and operations.

(3) Department of enterprise services:

(a) Enter into a financing contract for up to \$5,323,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to repair the east plaza garage in Olympia.

(b) Enter into a financing contract for up to \$2,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for Tacoma Rhodes elevators.

(4) Washington state patrol:

(a) Enter into a financing contract for up to \$7,450,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a burn building for live fire training.

(b) Enter into a financing contract for up to \$2,700,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for furnishings and equipment at the 1063 building.

(5) Department of labor and industries: Enter into a financing contract for up to ~~((12,700,000)) \$12,504,000~~ plus financing expenses and required reserves pursuant to chapter 39.94 RCW to modernize a lab and training facility.

(6) Department of social and health services: Enter into a financing contract for up to \$2,900,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase the King county secure community transition center.

~~((6)) (7)~~ Community and technical colleges:

(a) Enter into a financing contract on behalf of Cascadia College for up to ~~((29,500,000)) \$30,225,000~~ plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build a parking structure.

(b) Enter into a financing contract on behalf of Renton Community College for up to \$2,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to acquire property in Renton.

(c) Enter into a financing contract on behalf of South Seattle College for up to \$10,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build a student wellness and fitness center.

(d) Enter into a financing contract on behalf of Shoreline Community College for up to \$31,100,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build student housing.

~~((Enter into a financing contract on behalf of Clark College for up to \$35,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build a student recreation center.~~

~~((f))~~ Enter into a financing contract on behalf of Lower Columbia College for up to ~~((3,000,000)) \$3,400,000~~ plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the main building.

~~((g))~~ (f) Enter into a financing contract on behalf of Clover Park Technical College for up to ~~((33,288,000)) \$35,821,000~~ plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a center for advanced manufacturing technologies.

(g) Enter into a financing contract on behalf of Yakima Valley Community College for up to \$22,700,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build additional instructional and lab classroom space.

(h) Enter into a financing contract on behalf of Bellevue College for up to \$20,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build a student success center.

(i) Enter into a financing contract on behalf of Whatcom Community College for up to \$26,475,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build student housing.

(j) Enter into a financing contract on behalf of South Puget Sound Community College for up to \$16,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build a health and wellness center.

(k) Enter into a financing contract on behalf of South Puget Sound Community College for up to \$7,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to acquire property.

(l) Enter into a financing contract on behalf of Grays Harbor College for up to \$1,100,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate a campus parking lot.

Sec. 7003. 2018 c 2 s 7022 (uncodified) is amended to read as follows:

STATE TREASURER TRANSFER AUTHORITY

State Toxics Control Account: For transfer to the environmental legacy stewardship account, \$13,000,000 for fiscal year 2018 and ~~((13,000,000)) \$11,950,000~~ for fiscal year 2019 ~~((26,000,000)) \$24,950,000~~

Local Toxics Control Account: For transfer to the environmental legacy stewardship account, \$15,250,000 in fiscal year 2018 and ~~((15,250,000))~~

\$3,750,000 in fiscal year 2019 (~~(\$30,500,000)~~)
\$19,000,000

Local Toxics Control Account: For transfer to the cleanup settlement account as repayment of the loan provided in section 6015(2), chapter 35, Laws of 2016 sp. sess. (ESHB 2380, 2016 supplemental capital budget), \$8,150,000 for fiscal year 2019 \$8,150,000

(1)(a) As directed by the department of ecology in consultation with the office of financial management, the state treasurer shall transfer amounts among the state toxics control account, the local toxics control account, and the environmental legacy stewardship account as needed during the 2017-2019 fiscal biennium to maintain positive account balances in all three accounts.

(b) If, after using the interfund transfer authority granted in this section, the department of ecology determines that further reductions are needed to maintain positive account balances in the state toxics control account, the local toxics control account, and the environmental legacy stewardship account, the department is authorized to delay the start of any projects based on acuity of need, readiness to proceed, cost-efficiency, purposes of increasing affordable housing, or need to ensure geographic distribution. If the department uses this authority, the department must submit a prioritized list of projects that may be delayed to the office of financial management and the appropriate fiscal committees of the legislature.

(2) As directed by the pollution liability insurance agency in consultation with the office of financial management, the state treasurer shall transfer from the pollution liability insurance program trust account to the underground storage tank revolving account the lesser of \$20,000,000 or the balance of the fund exceeding \$7,500,000 after excluding the reserves during the 2017-2019 fiscal biennium.

NEW SECTION. Sec. 7004. A new section is added to 2018 c 2 (uncodified) to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the department of natural resources is authorized to develop and construct an irrigation system, known as the Paterson pipeline, to deliver water from existing water rights owned by the department from the Columbia river to common school trust lands.

(2)(a) The development and construction of the Paterson pipeline must be reviewed and approved by the board of natural resources; and

(b) Any investment in the Paterson pipeline with moneys belonging to an asset of the common school trust constitutes a loan from the common school trust and may be made only if first determined to be a prudent investment by the board of natural resources.

(3) The board of natural resources may set the terms of the loan with the following conditions and limitations:

(a) A payment of principal and annual interest of no less than three percent and up to six percent on remaining principal of the loan described in subsection (2)(b) of this section must be paid annually to be disbursed as follows:

(i) The principal portion of the payment shall be deposited into the natural resources real property replacement account and credited to the common school trust;

(ii) The interest portion of the payment shall be deposited into the common school construction account;

(b) Interest begins to accrue on a date determined by the board of natural resources, but no later than the earlier of two years after the date the Paterson pipeline is completed or the

date of the execution of the lease; and

(c) Once interest begins to accrue, the annual payment is due and payable on July 1st, following the completion of the state fiscal year, until the principal is fully repaid.

(4) Revenues generated from leases of the irrigated acreage in the common school trust improved by the Paterson pipeline are assumed to be dedicated for the payments on the loan principal and interest described in subsection (3) of this section until the loan is paid in full.

Sec. 7005. RCW 79.17.210 and 2013 2nd sp.s. c 19 s 7041 are each amended to read as follows:

(1) The legislature finds that the department has a need to maintain the real property asset base it manages and needs an accounting mechanism to complete transactions without reducing the real property asset base.

(2) The natural resources real property replacement account is created in the state treasury. This account shall consist of funds transferred or paid for the disposal or transfer of real property by the department under RCW 79.17.200 and the transfer of state lands or state forestlands into community forest trust lands under RCW 79.155.040. The funds in this account shall be used solely for the acquisition of replacement real property and may be spent only when, and as, authorized by legislative appropriation. During the 2013-2015 fiscal biennium, funds in the account may also be appropriated for the land purchase in section 3245, chapter 19, Laws of 2013 2nd sp. sess. under the provisions of section 3245, chapter 19, Laws of 2013 2nd sp. sess. and chapter 11, Laws of 2013 2nd sp. sess. During the 2017-2019 fiscal biennium, moneys in the account may also be appropriated for developing and constructing the pipeline in section 3061 of this act under the provisions of section 7004 of this act.

Sec. 7006. 2018 c 2 s 7007 (uncodified) is amended to read as follows:

(1) The office of financial management may authorize a transfer of appropriation authority provided for a capital project that is in excess of the amount required for the completion of such project to another capital project for which the appropriation is insufficient. No such transfer may be used to expand the capacity of any facility beyond that intended in making the appropriation. Such transfers may be effected only between capital appropriations to a specific department, commission, agency, or institution of higher education and only between capital projects that are funded from the same fund or account. No transfers may occur between projects to local government agencies except where the grants are provided within a single omnibus appropriation and where such transfers are specifically authorized by the implementing statutes that govern the grants.

(2) The office of financial management may find that an amount is in excess of the amount required for the completion of a project only if: (a) The project as defined in the notes to the budget document is substantially complete and there are funds remaining; or (b) bids have been let on a project and it appears to a substantial certainty that the project as defined in the notes to the budget document can be completed within the biennium for less than the amount appropriated in this act.

(3) For the purposes of this section, the intent is that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different way.

(4) A report of any transfer effected under this section, except emergency projects or any transfer under \$250,000, shall be filed with the legislative fiscal committees of the senate and

house of representatives by the office of financial management at least thirty days before the date the transfer is effected. The office of financial management shall report all emergency or smaller transfers within thirty days from the date of transfer.

~~((5) The transfer authority granted in this section does not apply to appropriations for projects for the state parks and recreation commission. Appropriations for commission projects may be spent only for the specified projects, and funding may not be transferred from one commission project to another or from other sources to a commission project.)~~

Sec. 7007. 2018 c 2 s 7017 (uncodified) is amended to read as follows:

NONTAXABLE AND TAXABLE BOND PROCEEDS.

Portions of the appropriation authority granted by this act from the state building construction account, or any other account receiving bond proceeds, may be transferred to the state taxable building construction account as deemed necessary by the state finance committee to comply with the federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds. Portions of the general obligation bond proceeds authorized by chapter ~~((---))~~ 3, Laws of 2018, ~~((Senate))~~ House Bill No. ~~((---))~~ 1080, the general obligation bond bill) for deposit into the state taxable building construction account that are in excess of amounts required to comply with the federal internal revenue service rules and regulations shall be deposited into the state building construction account. The state treasurer shall submit written notification to the director of financial management if it is determined that a shift of appropriation authority between the state building construction account, or any other account receiving bond proceeds, and the state taxable building construction account is necessary, or that a shift of appropriation authority from the state taxable building construction account to the state building construction account may be made.

Sec. 7008. 2018 c 2 s 7024 (uncodified) is amended to read as follows:

The energy efficiency account is hereby created in the state treasury. The sums deposited in the energy ~~((recovery act))~~ efficiency account shall be appropriated and expended for loans, loan guarantees, and grants for projects that encourage the establishment and use of innovative and sustainable industries for renewable energy and energy efficiency technology. The balance of state funds, federal funds, and loan repayments, from the energy recovery act account, are deposited in this account.

Sec. 7009. 2018 c 2 s 7026 (uncodified) is amended to read as follows:

JOINT LEGISLATIVE TASK FORCE ON IMPROVING STATE FUNDING FOR SCHOOL CONSTRUCTION.

(1)(a) A joint legislative task force on improving state funding for school construction is established, with members as provided in this subsection.

(i) The president of the senate shall appoint one member from each of the two largest caucuses of the senate from the senate committees on ways and means and early learning and K-12 education.

(ii) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives from the house of representatives committees on capital budget and education.

(iii) The president of the senate and the speaker of the house of representatives jointly shall ensure that at least three of the eight members appointed pursuant to (a)(i) and (ii) of this subsection serve legislative districts located east of the crest of the Cascade mountains.

(iv) The chair of the task force selected pursuant to (b) of this subsection may appoint one additional member representing large school districts and one additional member representing small, rural school districts as voting members of the task force.

(b) The task force shall choose its chair from among its membership. The chair of the house of representatives committee on capital budget shall convene the initial meeting of the task force. All meetings of the task force must be scheduled and conducted in accordance with the requirements of both the senate and the house of representatives.

(2) The task force shall review the following issues:

(a) Improvements to state financial assistance for K-12 school construction to be implemented over several fiscal biennia;

(b) Utilization of school spaces for multiple purposes;

(c) School design and construction approaches that support effective teaching and learning by delivering education through innovative, sustainable, cost-effective, and enduring design and construction methods; and

(d) Recent reports on school construction, including but not limited to the school construction cost study from the educational service district 112 and the efforts of collecting inventory and condition of schools data by the Washington state university extension energy office.

(3) In consideration of the findings pursuant to subsection (2) of this section, the task force must recommend a state school construction financial assistance program that:

(a) Supports the construction and preservation of schools; and

(b) Balances the state and local share of school construction and preservation costs considering local school districts' financial capacity, based on measures of relative wealth recommended pursuant to subsection (4)(b) of this section, and the state's limited bond capacity and common school trust land revenue.

(4) In making recommendations pursuant to subsection (3) of this section, the task force must, at a minimum, also recommend:

(a) A methodology to project needs for state financial assistance for school construction and preservation over a ten-year period;

(b) Measures of relative wealth of a school district, including but not limited to assessed land value per student, eligible free and reduced price meal enrollments, income per capita per school district, and costs of construction;

(c) Education specifications recognized by the state for the purpose of providing guidance to school districts when designing school construction projects;

(d) A capital asset model for K-12 school construction that considers space and usage needs to calculate construction assistance for:

(i) New schools to accommodate enrollment growth;

(ii) Major modernization projects to address aging facilities;

(iii) Replacement and renewal of major building systems based on achieving lowest life-cycle building costs, provided that standards of routine maintenance are achieved by local districts; and

(iv) Specialized facility improvements including but not limited to STEM facilities, career and technical education facilities, skills centers, and computer labs; and

(e) Alternative means to fund and accommodate increased classroom capacity to meet K-3 class-size reduction objectives.

(5)(a) Staff support for the task force must be provided by the senate committee services and the house of representatives office of program research.

(b) The office of the superintendent of public instruction and the office of financial management shall cooperate with the task force and maintain liaison representatives, who are nonvoting

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members.

(c) The task force, where appropriate, may consult with individuals from public schools or related organizations or ask the individuals to establish a committee for technical advice and assistance. Members of such an advisory committee are not entitled to expense reimbursement.

(6) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120.

Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(7) The expenses of the task force must be paid jointly by the senate and the house of representatives. Task force expenditures and meetings are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(8) The task force must report its final findings and recommendations to the governor, the superintendent of public instruction, and the appropriate committees of the legislature by ~~(October 1)~~ December 15, 2018.

(9) This section expires June 30, 2019.

Sec. 7010. 2018 c 2 s 7028 (uncodified) is amended to read as follows:

The public use general aviation airport loan revolving account is created in the custody of the state treasurer. All receipts from moneys collected under ~~(this chapter)~~ section 4002, chapter 2, Laws of 2018, section 4002 of this act, and sections 1 through 8, chapter . . . (Substitute House Bill No. 1656), Laws of 2018 must be deposited into the account. Expenditures from the account may be used only for the purposes described in section 4002 ~~(of this act)~~, chapter 2, Laws of 2018, section 4002 of this act, and sections 1 through 8, chapter . . . (Substitute House Bill No. 1656), Laws of 2018. Only the community aviation revitalization board or the board's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

NEW SECTION. Sec. 7011. A new section is added to 2018 c 2 (uncodified) to read as follows:

JOINT LEGISLATIVE TASK FORCE ON WATER SUPPLY.

(1) A joint legislative task force is established to review surface water and groundwater needs and uses as they relate to agricultural uses, domestic potable water uses, and instream flows, and to develop and recommend studies.

(2) The task force consists of the following members:

(a) Two members from each of the two largest caucuses of the senate, appointed by the president of the senate;

(b) Two members from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives;

(c) A representative from the department of ecology, appointed by the director of the department of ecology;

(d) A representative from the department of fish and wildlife, appointed by the director of the department of fish and wildlife;

(e) A representative from the department of agriculture, appointed by the director of the department of agriculture;

(f) One representative from each of the following groups, appointed by the consensus of the cochair of the task force:

(i) Two organizations representing the farming industry in Washington;

(ii) A representative designated by each county within water

resource inventory areas 3 and 4;

(iii) A representative designated by each city within water resource inventory areas 3 and 4;

(iv) Two representatives from an environmental advocacy organization or organizations;

(v) A representative designated by each public utility district located in water resource inventory areas 3 and 4;

(vi) An organization representing business interests; and

(vii) Representatives from federally recognized Indian tribes with reservations and treaty fishing rights located within water resource inventory areas 3 and 4.

(3) One cochair of the task force must be a member of the majority caucus of one chamber of the legislature, and one cochair must be a member of the minority caucus of the other chamber of the legislature, as those caucuses existed on the effective date of this section.

(4) The first meeting of the task force must occur by June 30, 2018. The task force must immediately focus on water resource inventory area 4. The task force shall not meet regarding water resource inventory area 3 before January 1, 2019.

(5) Staff support for the task force must be provided by the office of program research and senate committee services. The department of ecology and the department of fish and wildlife shall cooperate with the task force and provide information as the cochairs reasonably request.

(6) Within existing appropriations, the expenses of the operations of the task force, including the expenses associated with the task force's meetings, must be paid jointly and in equal amounts by the senate and the house of representatives. Task force expenditures and meetings are subject to approval by the house executive rules committee and the senate facility and operations committee. Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(7) Studies and selection of scientists or organizations to implement these studies must be based on recommendations of the joint legislative task force and must be made by a seventy-five percent majority of the members of the task force. Minority recommendations that achieve the support of at least five of the named voting members of the task force may also be submitted to the legislature.

(8) The funding provided in section 3012(2) of this act is provided solely for studies that are based on best available science and peer-reviewed, as identified by the task force to include:

(a) Reviewing existing hydrodynamic modeling and instream flow studies, or implementing new studies if necessary;

(b) Completing a gap analysis;

(c) Updating and reconciling data;

(d) Completing and providing missing data; and

(e) Potential installation of groundwater monitoring stations.

(9) The joint legislative task force expires June 30, 2019.

NEW SECTION. Sec. 7012. A new section is added to 2018 c 2 (uncodified) to read as follows:

(1) The legislature recognizes that outdoor recreation in Washington provides multiple benefits including significant business and retail tax revenue, business and job creation, improved physical and mental health, higher quality-of-life that attracts and retains businesses and workers from beyond the recreation sector, and conservation and education values. To fulfill the goals of the 2018 recreation and conservation plan for

Washington state, the recreation and conservation office must conduct a study that identifies recreational assets of statewide significance, where gaps in recreational assets exist, and investment strategies and options for addressing those gaps. The study must address existing and projected future needs of the people of Washington state.

(2) The office must submit a report with its findings and recommendations to the appropriate committees of the legislature by June 30, 2019.

Sec. 7013. RCW 43.88D.010 and 2017 c 52 s 15 are each amended to read as follows:

(1) By October 1st of each even-numbered year, the office of financial management shall complete an objective analysis and scoring of all capital budget projects proposed by the public four-year institutions of higher education and submit the results of the scoring process to the legislative fiscal committees and the four-year institutions. Each project must be reviewed and scored within one of the following categories, according to the project's principal purpose. Each project may be scored in only one category. The categories are:

(a) Access-related projects to accommodate enrollment growth at all campuses, at existing or new university centers, or through distance learning. Growth projects should provide significant additional student capacity. Proposed projects must demonstrate that they are based on solid enrollment demand projections, more cost-effectively provide enrollment access than alternatives such as university centers and distance learning, and make cost-effective use of existing and proposed new space;

(b) Projects that replace failing permanent buildings. Facilities that cannot be economically renovated are considered replacement projects. New space may be programmed for the same or a different use than the space being replaced and may include additions to improve access and enhance the relationship of program or support space;

(c) Projects that renovate facilities to restore building life and upgrade space to meet current program requirements. Renovation projects should represent a complete renovation of a total facility or an isolated wing of a facility. A reasonable renovation project should cost between sixty to eighty percent of current replacement value and restore the renovated area to at least twenty-five years of useful life. New space may be programmed for the same or a different use than the space being renovated and may include additions to improve access and enhance the relationship of program or support space;

(d) Major stand-alone campus infrastructure projects;

(e) Projects that promote economic growth and innovation through expanded research activity. The acquisition and installation of specialized equipment is authorized under this category; and

(f) Other project categories as determined by the office of financial management in consultation with the legislative fiscal committees.

(2) The office of financial management, in consultation with the legislative fiscal committees, shall establish a scoring system and process for each four-year project category that is based on the framework used in the community and technical college system of prioritization. Staff from the state board for community and technical colleges and the four-year institutions shall provide technical assistance on the development of a scoring system and process.

(3) The office of financial management shall consult with the legislative fiscal committees in the scoring of four-year institution project proposals, and may also solicit participation by independent experts.

(a) For each four-year project category, the scoring system must, at a minimum, include an evaluation of enrollment trends, reasonableness of cost, the ability of the project to enhance specific strategic master plan goals, age and condition of the facility if applicable, and impact on space utilization.

(b) Each four-year project category may include projects at the predesign, design, or construction funding phase.

(c) To the extent possible, the objective analysis and scoring system of all capital budget projects shall occur within the context of any and all performance agreements between the office of financial management and the governing board of a public, four-year institution of higher education that aligns goals, priorities, desired outcomes, flexibility, institutional mission, accountability, and levels of resources.

(4) In evaluating and scoring four-year institution projects, the office of financial management shall take into consideration project schedules that result in realistic, balanced, and predictable expenditure patterns over the ensuing three biennia.

(5) The office of financial management shall distribute common definitions, the scoring system, and other information required for the project proposal and scoring process as part of its biennial budget instructions. The office of financial management, in consultation with the legislative fiscal committees, shall develop common definitions that four-year institutions must use in developing their project proposals and lists under this section.

(6) In developing any scoring system for capital projects proposed by the four-year institutions, the office of financial management:

(a) Shall be provided with all required information by the four-year institutions as deemed necessary by the office of financial management;

(b) May utilize independent services to verify, sample, or evaluate information provided to the office of financial management by the four-year institutions; and

(c) Shall have full access to all data maintained by the joint legislative audit and review committee concerning the condition of higher education facilities.

(7) By August 1st of each even-numbered year each public four-year higher education institution shall prepare and submit prioritized lists of the individual projects proposed by the institution for the ensuing six-year period in each category. The lists must be submitted to the office of financial management and the legislative fiscal committees. The four-year institutions may aggregate minor works project proposals by primary purpose for ranking purposes. Proposed minor works projects must be prioritized within the aggregated proposal, and supporting documentation, including project descriptions and cost estimates, must be provided to the office of financial management and the legislative fiscal committees.

(8) For the 2017-2019 fiscal biennium, pursuant to subsection (1) of this section, by November 1, 2018, the office of financial management must score higher education capital project criteria with a rating scale that assesses how well a particular project satisfies those criteria. The office of financial management may not use a rating scale that weighs the importance of those criteria.

(9) For the 2017-2019 fiscal biennium, pursuant to subsection (6)(a) of this section and in lieu of the requirements of subsection (7) of this section, by August 15, 2018, the institutions of higher education shall prepare and submit or resubmit to the office of financial management and the legislative fiscal committees:

(a) Individual project proposals developed pursuant to subsection (1) of this section;

(b) Individual project proposals scored in prior biennia

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pursuant to subsection (1) of this section; and(c) A prioritized list of up to five project proposals submitted pursuant to (a) and (b) of this subsection.

Sec. 7014. RCW 28B.77.070 and 2012 c 229 s 110 are each amended to read as follows:

(1) The council shall identify budget priorities and levels of funding for higher education, including the two and four-year institutions of higher education and state financial aid programs. It is the intent of the legislature for the council to make budget recommendations for allocations for major policy changes in accordance with priorities set forth in the ten-year plan, but the legislature does not intend for the council to review and make recommendations on individual institutional budgets. It is the intent of the legislature that recommendations from the council prioritize funding needs for the overall system of higher education in accordance with priorities set forth in the ten-year plan. It is also the intent of the legislature that the council's recommendations take into consideration the total per-student funding at similar public institutions of higher education in the global challenge states.

(2) By December of each odd-numbered year, the council shall outline the council's fiscal priorities under the ten-year plan that it must distribute to the institutions, the state board for community and technical colleges, the office of financial management, and the joint higher education committee.

(a) Capital budget outlines for the two-year institutions shall be submitted to the office of financial management by August 15th of each even-numbered year, and shall include the prioritized ranking of the capital projects being requested, a description of each capital project, and the amount and fund source being requested.

(b) Capital budget outlines for the four-year institutions must be submitted to the office of financial management by August 15th of each even-numbered year, and must include: The institutions' priority ranking of the project; the capital budget category within which the project will be submitted to the office of financial management in accordance with RCW 43.88D.010; a description of each capital project; and the amount and fund source being requested.

(c) The office of financial management shall reference these reporting requirements in its budget instructions.

(3) The council shall submit recommendations on the operating budget priorities to support the ten-year plan to the office of financial management by October 1st each year, and to the legislature by January 1st each year.

(4)(a) The office of financial management shall develop one prioritized list of capital projects for the legislature to consider that includes all of the projects requested by the four-year institutions of higher education that were scored by the office of financial management pursuant to chapter 43.88D RCW, including projects that were previously scored but not funded. The prioritized list of capital projects shall be based on the following priorities in the following order:

- (i) Office of financial management scores pursuant to chapter 43.88D RCW;
- (ii) Preserving assets;
- (iii) Degree production; and
- (iv) Maximizing efficient use of instructional space.

(b) The office of financial management shall include all of the capital projects requested by the four-year institutions of higher education, except for the minor works projects, in the prioritized list of capital projects provided to the legislature.

(c) The form of the prioritized list for capital projects requested by the four-year institutions of higher education shall be provided as one list, ranked in priority order with the highest

priority project ranked number "1" through the lowest priority project numbered last. The ranking for the prioritized list of capital projects may not:

- (i) Include subpriorities;
- (ii) Be organized by category;
- (iii) Assume any state bond or building account biennial funding level to prioritize the list; or
- (iv) Assume any specific share of projects by institution in the priority list.

(5) Institutions and the state board for community and technical colleges shall submit any supplemental capital budget requests and revisions to the office of financial management by November 1st and to the legislature by January 1st.

(6) For the 2017-2019 fiscal biennium, pursuant to subsection (4) of this section, the office of financial management may, but is not obligated to, develop one prioritized list of capital projects for the legislature to consider that includes all of the projects requested by the four-year institutions of higher education that were scored by the office of financial management pursuant to chapter 43.88D RCW, including projects that were previously scored but not funded.

NEW SECTION. Sec. 7015. A new section is added to 2018 c 2 (uncodified) to read as follows:

(1) The department of natural resources must conduct an asset valuation of state lands and state forestlands held in trust and managed by the department. The analysis required in subsections (3) and (4) of this section may be provided through contracted services.

(2) The department must describe all trust lands, by trust, including timber lands, agricultural lands, commercial lands, and other lands, and identify revenues from leases or other sources for those lands. The department must briefly describe the income from these trust lands, and potential enhancements to income, including intergenerational income, from the asset bases of these trusts.

(3) The analysis must estimate the current fair market value of these lands for each trust beneficiary, including the separate beneficiaries of state lands as defined in RCW 79.02.010, and the beneficiaries of state forestlands as specified in chapter 79.22 RCW. The estimation of current fair market values must specify the values by the various asset classes including, but not limited to, the following asset classes: Timber lands; irrigated agriculture; dryland agriculture, including grazing lands; commercial real estate; mining; and other income production. The analysis must also estimate the value of ecosystem services and recreation benefits for asset classes that produce these benefits. The legislature encourages the department and its contractors to develop methods and tools to allow tracking of the estimated fair market values over time.

(4) For each of the different asset classes and for each of the various trusts, the analysis must calculate the average annual gross and net income as a percentage of estimated current asset value.

(5) The department must provide a progress report to the legislature by December 1, 2018. A follow up progress report is expected to be provided by December 1, 2019, and may include any initial recommendations. The final report is expected to be submitted by June 30, 2020, and must include options to:

- (a) Improve the net rates of return on different classes of assets;
- (b) Increase the reliability of, and enhance if possible, revenue for trust beneficiaries; and
- (c) Present and explain factors that either (i) define, (ii) constrict, or (iii) define and constrict the department's management practices and revenue production. The factors to be

considered include, but are not limited to, statutory, constitutional, operational, and social factors.

Sec. 7016. RCW 43.17.200 and 2005 c 36 s 4 are each amended to read as follows:

(1) All state agencies including all state departments, boards, councils, commissions, and quasi public corporations shall allocate, as a nondeductible item, out of any moneys appropriated for the original construction of any public building, an amount of one-half of one percent of the appropriation to be expended by the Washington state arts commission for the acquisition of works of art.

(2) During the 2017-2019 fiscal biennium, for projects funded in the capital budget, a state agency, working with the Washington state arts commission, may expend up to ten percent of the projected art allocation for a project during the design phase in order to select an artist and design art to be integrated in the building design. The one-half of one percent to be expended by the Washington state arts commission must be adjusted downward by the amount expended by a state agency during the design phase of the capital project.

(3) The works of art may be placed on public lands, integral to or attached to a public building or structure, detached within or outside a public building or structure, part of a portable exhibition or collection, part of a temporary exhibition, or loaned or exhibited in other public facilities.

(4) In addition to the cost of the works of art, the one-half of one percent of the appropriation as provided herein shall be used to provide for the administration of the visual arts program, including conservation of the state art collection, by the Washington state arts commission and all costs for installation of the works of art. For the purpose of this section building shall not include highway construction sheds, warehouses, or other buildings of a temporary nature.

NEW SECTION. Sec. 7017. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 7018. 2018 c ... (SHB 1656) s 13 (uncodified) is repealed.

NEW SECTION. Sec. 7019. Section 7018 of this act takes effect when chapter . . . (Substitute House Bill No. 1656), Laws of 2018 takes effect.

NEW SECTION. Sec. 7020. Except for section 7018 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

and the same is herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

Senator Frockt moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 6095.

Senators Frockt, Honeyford, Mullet, Warnick and Sheldon spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Frockt that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 6095.

The motion by Senator Frockt carried and the Senate concurred

in the House amendment(s) to Engrossed Substitute Senate Bill No. 6095 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 6095, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 6095, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Angel, Bailey, Baumgartner, Becker, Billig, Braun, Brown, Carlyle, Chase, Cleveland, Conway, Darneille, Dhingra, Erickson, Fain, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Honeyford, Hunt, Keiser, King, Kuderer, Lias, McCoy, Miloscia, Mullet, Nelson, O'Ban, Padden, Palumbo, Pedersen, Ranker, Rivers, Rolfes, Saldaña, Schoesler, Sheldon, Short, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson and Zeiger

ENGROSSED SUBSTITUTE SENATE BILL NO. 6095, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

PERSONAL PRIVILEGE

Senator Frockt: "Thank you, Mr. President. I wanted to express thanks to the budget negotiators. I also wanted to make sure that on the floor here tonight I expressed my thanks to the incredible Ways & Means staff who do both operating and capital budget, and they do it extremely well for us. Particularly for someone who, these last two years was a novice like me. In this area, my only experience in working on the capital budget was making sure that Karen Keiser and who did we have before that, was getting my stuff in the budget and so I didn't really have any sense. So I had a lot to learn, but they were terrific. First of all, Richard Ramsey, our budget coordinator for the capital budget. And then all of these people who helped so much: Jasmin Adams, Jed Herman, Maria Hovde, James Kettel, Danny Masterson, Julie Murray, Sandy Stith, and Travis Sugarman. And I also want to mention that those are our Ways & Means staff and they were incredible. And I also want to thank James Crandall in the republican staff, who was incredibly professional and great to work with as well, and Noha Mahgoub, who was new to this and did a great job of learning and picking it up quickly and has a great future ahead of her as part of our team here on this side of the aisle. So, Mr. President, I want to thank you and thank the members of the body for all the good work and thank the staff again for helping us put together the capital budget of these last two years."

PERSONAL PRIVILEGE

Senator Nelson: "Thank you Mr. President. Well we are at sine die and I want to thank everyone in the chamber for this year in the sixty day session. I grew up in Hawaii, and there are some traditions there. So first and foremost, Mahalo. Thank you all, both members and staff for all the work you've done. Many, many times its been on a nonpartisan basis and I appreciate that. And finally, as we all return home, there is always the other message from Hawaii, and that is Aloha. May you have safe travels, may you enjoy your families, and very shortly we will

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return to the floor for those of us who wish to, to adjourn sine die. Mahalo and Aloha.”

MOTION

At 8:23 p.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 9:44 p.m. by President Habib.

MESSAGES FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:

The Speaker has signed:

SENATE BILL NO. 5987,
SENATE BILL NO. 6007,

ENGROSSED SUBSTITUTE SENATE BILL NO. 6032,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6106,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6241,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

March 8, 2018

MR. PRESIDENT:

The Speaker has signed:

ENGROSSED HOUSE BILL NO. 2008,
SECOND SUBSTITUTE HOUSE BILL NO. 2269,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2408,
ENGROSSED HOUSE BILL NO. 2444,
SUBSTITUTE HOUSE BILL NO. 2448,
ENGROSSED HOUSE BILL NO. 2519,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2580,
ENGROSSED HOUSE BILL NO. 2750,
SUBSTITUTE HOUSE BILL NO. 2990,
SUBSTITUTE HOUSE BILL NO. 2998,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

March 8, 2018

MR. PRESIDENT:

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

ENGROSSED HOUSE BILL NO. 2444,

and the same is herewith transmitted.

BERNARD DEAN, Chief Clerk

March 8, 2018

MR. PRESIDENT:

The House has passed:

HOUSE INITIATIVE NO. 940,

and the same is herewith transmitted.

BERNARD DEAN, Chief Clerk

March 8, 2018

MR. PRESIDENT:

The Speaker has signed:

SENATE BILL NO. 5020,
SUBSTITUTE SENATE BILL NO. 5683,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6002,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6034,
SUBSTITUTE SENATE BILL NO. 6051,
SUBSTITUTE SENATE BILL NO. 6055,
SENATE BILL NO. 6058,

ENGROSSED SUBSTITUTE SENATE BILL NO. 6068,
SUBSTITUTE SENATE BILL NO. 6133,
SENATE BILL NO. 6159,
ENGROSSED SECOND SUBSTITUTE SENATE BILL
NO. 6160,
ENGROSSED SECOND SUBSTITUTE SENATE BILL
NO. 6162,
SENATE BILL NO. 6163,
SUBSTITUTE SENATE BILL NO. 6175,
ENGROSSED SENATE BILL NO. 6211,
SECOND SUBSTITUTE SENATE BILL NO. 6245,
ENGROSSED SECOND SUBSTITUTE SENATE BILL
NO. 6269,
SUBSTITUTE SENATE BILL NO. 6317,
SUBSTITUTE SENATE BILL NO. 6334,
SUBSTITUTE SENATE BILL NO. 6340,
SUBSTITUTE SENATE BILL NO. 6437,
SUBSTITUTE SENATE BILL NO. 6452,
SUBSTITUTE SENATE BILL NO. 6519,

and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

March 8, 2018

MR. PRESIDENT:

The Speaker has signed HOUSE INITIATIVE NO. 940,
and the same is herewith transmitted.

BERNARD DEAN, Chief Clerk

SIGNED BY THE PRESIDENT

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

SENATE BILL NO. 5987,
ENGROSSED HOUSE BILL NO. 2008,
SECOND SUBSTITUTE HOUSE BILL NO. 2269,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2408,
ENGROSSED HOUSE BILL NO. 2444,
SUBSTITUTE HOUSE BILL NO. 2448,
ENGROSSED HOUSE BILL NO. 2519,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2580,
ENGROSSED HOUSE BILL NO. 2750,
SUBSTITUTE HOUSE BILL NO. 2990,
SUBSTITUTE HOUSE BILL NO. 2998,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6095,
ENGROSSED SECOND SUBSTITUTE SENATE BILL
NO. 6362,
SENATE INITIATIVE NO. 940,
SUBSTITUTE SENATE BILL NO. 5746,
ENGROSSED SENATE BILL NO. 6087,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6614,
SENATE BILL NO. 5722,
SUBSTITUTE SENATE BILL NO. 6219,
SUBSTITUTE SENATE BILL NO. 6340
SENATE BILL NO. 6582.

MESSAGE FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:

The House has adopted:

HOUSE CONCURRENT RESOLUTION NO. 4416,

and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

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

MOTION

Senator Liias moved adoption of the following resolution:

SENATE RESOLUTION
8733

By Senators Nelson and Schoesler

WHEREAS, The 2018 Regular Session of the Sixty-fifth Legislature is drawing to a close; and

WHEREAS, It is necessary to provide for the completion of the work of the Senate after its adjournment and during the interim period between the close of the 2018 Regular Session of the Sixty-fifth Legislature and the convening of the next regular session;

NOW, THEREFORE, BE IT RESOLVED, That the Senate Facilities and Operations Committee shall have full authority and direction over the authorization and execution of any contracts or subcontracts that necessitate the expenditure of Senate appropriations, subject to all applicable budget controls and limitations; and

BE IT FURTHER RESOLVED, That the Senate Facilities and Operations Committee may, as they deem appropriate, authorize travel for which members and staff may receive therefor their actual necessary expenses, and such per diem as may be authorized by law, subject to all applicable budget controls and limitations, to be paid upon receipt of their vouchers out of funds appropriated for legislative expenses; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate and the Senate Facilities and Operations Committee be, and they hereby are, authorized to retain such employees as they may deem necessary and that said employees be allowed such rate of pay therefor, subject to all applicable budget controls and limitations, as the Secretary of the Senate and the Senate Facilities and Operations Committee shall deem proper; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate be, and hereby is, authorized and directed to make out and execute the necessary vouchers upon which warrants for legislative expenses and expenditures shall be drawn from funds provided therefor; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate and the Facilities and Operations Committee be, and they hereby are, authorized to approve written requests by standing committees to meet during the interim period; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate be, and hereby is, authorized and directed to have printed a copy of the Senate Journals of the 2018 Regular Session of the Sixty-fifth Legislature; and

BE IT FURTHER RESOLVED, That the Rules Committee is authorized to assign subject matters to standing committees for study during the interim, and the Majority Leader is authorized to create special committees as may be necessary to carry out the functions of the Senate in an orderly manner and appoint members thereto with the approval of the Facilities and Operations Committee; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate is authorized to express the sympathy of the Senate by sending flowers or memorials in the event of a bereavement in the legislative "family"; and

BE IT FURTHER RESOLVED, That such use of the Senate facilities is permitted upon such terms as the Secretary of the Senate shall deem proper.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8733.

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

MOTION

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

SECOND SUPPLEMENTAL AND FIRST READING

SCR 8409 by Senators Nelson and Schoesler
Adjourning SINE DIE.

Placed on 2nd Reading Calendar.

THIRD SUPPLEMENTAL AND FIRST READING

HCR 4416 by Representatives Sullivan and Kretz
Returning bills to their house of origin.

Placed on 2nd Reading Calendar.

MOTION

On motion of Senator Liias, all measures listed on the Introduction and First Reading second and third supplemental reports were placed on the second reading calendar.

MOTION

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

SECOND READING

HOUSE CONCURRENT RESOLUTION NO. 4416, by Representatives Sullivan and Kretz

Returning bills to their house of origin.

The measure was read the second time.

MOTION

On motion of Senator Liias, the rules were suspended, House Concurrent Resolution No. 4416 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

The President declared the question before the Senate to be the final passage of House Concurrent Resolution No. 4416.

HOUSE CONCURRENT RESOLUTION NO. 4416 having received a majority was adopted by voice vote.

SECOND READING

SENATE CONCURRENT RESOLUTION NO. 8409, by Senators Nelson and Schoesler

SIXTIETH DAY, MARCH 8, 2018
 Adjourning SINE DIE.

2018 REGULAR SESSION

SIGNED BY THE PRESIDENT

The measure was read the second time.

MOTION

On motion of Senator Liias, the rules were suspended, Senate Concurrent Resolution No. 8409 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

The President declared the question before the Senate to be the final passage of Senate Concurrent Resolution No. 8409.

SENATE CONCURRENT RESOLUTION NO. 8409 having received a majority was adopted by voice vote.

MOTION

On motion of Senator Liias and without objections, the measures on the second and third reading calendars were returned to the Committee on Rules:

MOTION

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

MESSAGES FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:
 The Speaker has signed:

SUBSTITUTE SENATE BILL NO. 5746,
 ENGROSSED SENATE BILL NO. 6087,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6095,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 6362,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6614,
 and the same are herewith transmitted.

NONA SNELL, Deputy Chief Clerk

March 8, 2018

MR. PRESIDENT:
 The House has adopted:

SENATE CONCURRENT RESOLUTION NO. 8409,
 and the same is herewith transmitted.

NONA SNELL, Deputy Chief Clerk

MOTION

On motion of Senator Liias, and without objection, the reading of the journal for the sixtieth day of the 2018 Regular Session of the 65th Legislature was dispensed with and it was approved.

MESSAGE FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:
 The Speaker has signed:

HOUSE CONCURRENT RESOLUTION NO. 4416,
 and the same is herewith transmitted.

BERNARD DEAN, Chief Clerk

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

HOUSE CONCURRENT RESOLUTION NO. 4416,
 SENATE CONCURRENT RESOLUTION NO. 8409,

MESSAGES FROM THE HOUSE

March 8, 2018

MR. PRESIDENT:
 The Speaker has signed:

SENATE BILL NO. 5722,
 SUBSTITUTE SENATE BILL NO. 6219,
 SENATE BILL NO. 6582,
 SENATE CONCURRENT RESOLUTION NO. 8409,
 and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

March 8, 2018

MR. PRESIDENT:
 Under the provisions of HOUSE CONCURRENT RESOLUTION NO. 4416, the following Senate bills are returned to the Senate:

SUBSTITUTE SENATE BILL NO. 5074,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5108,
 SENATE BILL NO. 5141,
 SECOND ENGROSSED SUBSTITUTE SENATE BILL
 NO. 5180,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5307,
 SUBSTITUTE SENATE BILL NO. 5310,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5328,
 SECOND SUBSTITUTE SENATE BILL NO. 5342,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5397,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 5407,
 SUBSTITUTE SENATE BILL NO. 5408,
 SENATE BILL NO. 5442,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5513,
 SENATE BILL NO. 5525,
 SENATE BILL NO. 5539,
 THIRD SUBSTITUTE SENATE BILL NO. 5576,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5588,
 SUBSTITUTE SENATE BILL NO. 5596,
 SECOND SUBSTITUTE SENATE BILL NO. 5610,
 SUBSTITUTE SENATE BILL NO. 5627,
 SUBSTITUTE SENATE BILL NO. 5633,
 SENATE BILL NO. 5643,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5700,
 ENGROSSED SENATE BILL NO. 5731,
 SUBSTITUTE SENATE BILL NO. 5766,
 SENATE BILL NO. 5841,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5886,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 5935,
 SUBSTITUTE SENATE BILL NO. 5944,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5955,
 SECOND SUBSTITUTE SENATE BILL NO. 5970,
 SUBSTITUTE SENATE BILL NO. 5989,
 SUBSTITUTE SENATE BILL NO. 5998,
 ENGROSSED SENATE BILL NO. 6003,
 SUBSTITUTE SENATE BILL NO. 6009,
 SUBSTITUTE SENATE BILL NO. 6011,
 SUBSTITUTE SENATE BILL NO. 6013,

SECOND SUBSTITUTE SENATE BILL NO. 6015,
 SENATE BILL NO. 6017,
 SENATE BILL NO. 6030,
 SUBSTITUTE SENATE BILL NO. 6038,
 SENATE BILL NO. 6039,
 SENATE BILL NO. 6052,
 SENATE BILL NO. 6057,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6065,
 SUBSTITUTE SENATE BILL NO. 6066,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6072,
 SENATE BILL NO. 6079,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6081,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6084,
 SENATE BILL NO. 6085,
 SECOND SUBSTITUTE SENATE BILL NO. 6086,
 SENATE BILL NO. 6088,
 SENATE BILL NO. 6093,
 SUBSTITUTE SENATE BILL NO. 6102,
 SUBSTITUTE SENATE BILL NO. 6107,
 SUBSTITUTE SENATE BILL NO. 6132,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6135,
 SUBSTITUTE SENATE BILL NO. 6141,
 SUBSTITUTE SENATE BILL NO. 6142,
 SUBSTITUTE SENATE BILL NO. 6152,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6161,
 SENATE BILL NO. 6168,
 SENATE BILL NO. 6177,
 SENATE BILL NO. 6182,
 SUBSTITUTE SENATE BILL NO. 6183,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6187,
 SENATE BILL NO. 6190,
 SUBSTITUTE SENATE BILL NO. 6195,
 SENATE BILL NO. 6201,
 SENATE BILL NO. 6205,
 ENGROSSED SENATE BILL NO. 6213,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6223,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6226,
 SECOND SUBSTITUTE SENATE BILL NO. 6236,
 SENATE BILL NO. 6248,
 SUBSTITUTE SENATE BILL NO. 6251,
 SENATE BILL NO. 6252,
 SENATE BILL NO. 6264,
 SUBSTITUTE SENATE BILL NO. 6277,
 SUBSTITUTE SENATE BILL NO. 6283,
 SENATE BILL NO. 6292,
 SUBSTITUTE SENATE BILL NO. 6294,
 SENATE BILL NO. 6321,
 SUBSTITUTE SENATE BILL NO. 6324,
 SUBSTITUTE SENATE BILL NO. 6330,
 SUBSTITUTE SENATE BILL NO. 6343,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6346,
 SUBSTITUTE SENATE BILL NO. 6347,
 SENATE BILL NO. 6351,
 ENGROSSED THIRD SUBSTITUTE SENATE BILL NO.
 6353,
 SENATE BILL NO. 6354,
 SUBSTITUTE SENATE BILL NO. 6361,
 ENGROSSED SENATE BILL NO. 6379,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL
 NO. 6386,
 SECOND SUBSTITUTE SENATE BILL NO. 6410,
 SUBSTITUTE SENATE BILL NO. 6473,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6486,
 SUBSTITUTE SENATE BILL NO. 6531,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6548,
 SENATE BILL NO. 6563,

SUBSTITUTE SENATE BILL NO. 6566,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6587,
 SENATE JOINT RESOLUTION NO. 8211,
 and the same are herewith transmitted.
 BERNARD DEAN, Chief Clerk

MOTION

Under the provision of House Concurrent Resolution No. 4416,
 on motion of Senator Liias, the following House measures were
 returned to the House of Representatives:

ENGROSSED HOUSE BILL NO. 1031,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.
 1054,
 SUBSTITUTE HOUSE BILL NO. 1060,
 SUBSTITUTE HOUSE BILL NO. 1063,
 ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO.
 1144,
 SUBSTITUTE HOUSE BILL NO. 1151,
 SUBSTITUTE HOUSE BILL NO. 1154,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1155,
 SUBSTITUTE HOUSE BILL NO. 1186,
 SUBSTITUTE HOUSE BILL NO. 1188,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1196,
 HOUSE BILL NO. 1221,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1233,
 SECOND SUBSTITUTE HOUSE BILL NO. 1280,
 SECOND ENGROSSED SUBSTITUTE HOUSE BILL NO.
 1316,
 SECOND SUBSTITUTE HOUSE BILL NO. 1325,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.
 1332,
 SECOND ENGROSSED SUBSTITUTE HOUSE BILL NO.
 1340,
 THIRD SUBSTITUTE HOUSE BILL NO. 1357,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1421,
 HOUSE BILL NO. 1470,
 HOUSE BILL NO. 1437,
 ENGROSSED HOUSE BILL NO. 1476,
 SUBSTITUTE HOUSE BILL NO. 1510,
 THIRD SUBSTITUTE HOUSE BILL NO. 1512,
 SECOND SUBSTITUTE HOUSE BILL NO. 1532,
 SECOND SUBSTITUTE HOUSE BILL NO. 1541,
 SUBSTITUTE HOUSE BILL NO. 1559,
 SUBSTITUTE HOUSE BILL NO. 1560,
 THIRD SUBSTITUTE HOUSE BILL NO. 1562,
 ENGROSSED HOUSE BILL NO. 1571,
 HOUSE BILL NO. 1584,
 HOUSE BILL NO. 1606,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1618,
 HOUSE BILL NO. 1640,
 SUBSTITUTE HOUSE BILL NO. 1655,
 HOUSE BILL NO. 1715,
 SUBSTITUTE HOUSE BILL NO. 1763,
 SUBSTITUTE HOUSE BILL NO. 1782,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1792,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1824,
 ENGROSSED FOURTH SUBSTITUTE HOUSE BILL NO.
 1827,
 ENGROSSED HOUSE BILL NO. 1828,
 HOUSE BILL NO. 1833,
 HOUSE BILL NO. 1835,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.
 1851,
 ENGROSSED HOUSE BILL NO. 1859,

SIXTIETH DAY, MARCH 8, 2018

2018 REGULAR SESSION

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1884,
 SECOND SUBSTITUTE HOUSE BILL NO. 1987,
 SUBSTITUTE HOUSE BILL NO. 2001,
 SECOND SUBSTITUTE HOUSE BILL NO. 2004,
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 2006,
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 SECOND ENGROSSED SUBSTITUTE HOUSE BILL NO.
 2114,
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 ENGROSSED HOUSE BILL NO. 2201,
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 SUBSTITUTE HOUSE BILL NO. 2290,
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 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2295,
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 ENGROSSED HOUSE BILL NO. 2309,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2311,
 SUBSTITUTE HOUSE BILL NO. 2320,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2327,
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 ENGROSSED HOUSE BILL NO. 2350,
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 SUBSTITUTE HOUSE BILL NO. 2361,
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 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2381,
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 SECOND SUBSTITUTE HOUSE BILL NO. 2390,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.
 2396,
 SUBSTITUTE HOUSE BILL NO. 2415,
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 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2489,
 ENGROSSED HOUSE BILL NO. 2509,
 HOUSE BILL NO. 2523,
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 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2541,
 SUBSTITUTE HOUSE BILL NO. 2557,
 SUBSTITUTE HOUSE BILL NO. 2558,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2563,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2565,
 HOUSE BILL NO. 2567,
 ENGROSSED HOUSE BILL NO. 2570,
 SECOND SUBSTITUTE HOUSE BILL NO. 2572,
 SUBSTITUTE HOUSE BILL NO. 2585,
 SUBSTITUTE HOUSE BILL NO. 2590,
 HOUSE BILL NO. 2628,
 HOUSE BILL NO. 2641,
 HOUSE BILL NO. 2642,
 SUBSTITUTE HOUSE BILL NO. 2647,
 HOUSE BILL NO. 2653,
 SUBSTITUTE HOUSE BILL NO. 2678,
 HOUSE BILL NO. 2694,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2704,
 SUBSTITUTE HOUSE BILL NO. 2710,
 SUBSTITUTE HOUSE BILL NO. 2712,
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 2718,
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 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2771,
 SUBSTITUTE HOUSE BILL NO. 2774,
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 SUBSTITUTE HOUSE BILL NO. 2809,
 SUBSTITUTE HOUSE BILL NO. 2817,
 SUBSTITUTE HOUSE BILL NO. 2818,
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 HOUSE BILL NO. 2832,
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 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2839,
 SUBSTITUTE HOUSE BILL NO. 2855,
 HOUSE BILL NO. 2894,
 ENGROSSED HOUSE BILL NO. 2906,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2907,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.
 2914,
 SUBSTITUTE HOUSE BILL NO. 2928,
 HOUSE BILL NO. 2961,
 HOUSE BILL NO. 2962,
 SUBSTITUTE HOUSE BILL NO. 2975,
 HOUSE JOINT MEMORIAL NO. 4010,
 HOUSE JOINT MEMORIAL NO. 4011,
 ENGROSSED HOUSE JOINT MEMORIAL NO. 4012,
 HOUSE CONCURRENT RESOLUTION NO. 4413,
 HOUSE JOINT MEMORIAL NO. 4014.

The President invited senators, staff and any members of the public present onto the senate floor and line the aisle to witness the joint closing of session.

MOTION

At 10:11 p.m., on motion of Senator Liias, the 2018 Regular Session of the Sixty-Fifth Legislature adjourned SINE DIE.

CYRUS HABIB, President of the Senate

BRAD HENDRICKSON, Secretary of the Senate

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