EIGHTY NINTH DAY

MORNING SESSION

Senate Chamber, Olympia, Friday, April 12, 2013

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

The Sergeant at Arms Color Guard consisting of Pages Graceanne Moses and Arjun Marayan, presented the Colors. Pastor Gary Jepsen of Living Word Lutheran Church Puyallup offered the prayer.

MOTION

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

MOTION

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

MESSAGE FROM THE GOVERNOR
GUBERNATORIAL APPOINTMENTS

April 9, 2013

TO THE HONORABLE, THE SENATE OF THE STATE OF WASHINGTON

Ladies and Gentlemen:

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

HAROLD W. HANSON, reappointed March 11, 2013, for the term ending at the governor's pleasure, as Director of the Washington State Lottery Commission.

Sincerely,

JAY INSLEE, Governor

Referred to Committee on Commerce & Labor.

April 9, 2013

TO THE HONORABLE, THE SENATE OF THE STATE OF WASHINGTON

Ladies and Gentlemen:

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

DONALD "BUD" HOVER, appointed April 1, 2013, for the term ending at the governor's pleasure, as Director of the Department of Agriculture.

Sincerely,

JAY INSLEE, Governor

Referred to Committee on Agriculture, Water & Rural Economic Development.

April 9, 2013

TO THE HONORABLE, THE SENATE OF THE STATE OF WASHINGTON

Ladies and Gentlemen:

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

BETTE HYDE, appointed March 8, 2013, for the term ending at the governor's pleasure, as Executive Director of the Washington State Department of Early Learning.

Sincerely,

JAY INSLEE, Governor

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

April 3, 2013

TO THE HONORABLE, THE SENATE OF THE STATE OF WASHINGTON

Ladies and Gentlemen:

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

CHRIS LIU, reappointed March 12, 2013, for the term ending at the governor's pleasure, as Director of the Office of Minority and Women's Business Enterprises.

Sincerely,

JAY INSLEE, Governor

Referred to Committee on Commerce & Labor.

MOTION

On motion of Senator Fain, all appointees listed on the Gubernatorial Appointments report were referred to the committees as designated.

MOTION

On motion of Senator Fain, Senate Rule 20 was suspended for the remainder of the day to allow consideration of additional floor resolutions.

EDITOR'S NOTE: Senate Rule 20 limits consideration of floor resolutions not essential to the operation of the Senate to one per day during regular daily sessions.

MOTION

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

MOTION

Senator Parlette moved adoption of the following resolution:

SENATE RESOLUTION
8653

By Senators Parlette, Honeyford, Hasegawa, Hill, Becker, Schoesler, Rivers, Bailey, Tom, Baumgartner, Padden, Braun, Fraser, Kohl-Welles, Dammeier, Hatfield, and Conway

WHEREAS, Washington's apple industry is a major contributor to the economic health of both the State and its people; and

WHEREAS, The City of Wenatchee is preparing to celebrate the 94th annual Washington State Apple Blossom Festival to take place from April 25, 2013, through May 5, 2013; and

WHEREAS, The Apple Blossom Festival, which began as a one-day gathering of poetry and song in Wenatchee's Memorial Park, is one of the oldest major festivals in the state, first celebrated in 1919 when Mrs. E. Wagner organized the first Blossom Day; and

WHEREAS, The Apple Blossom Festival celebrates the importance of the apple industry in the Wenatchee Valley and its environs; and

WHEREAS, The Apple Blossom Festival recognizes three young women who by their superior and distinctive efforts have

exemplified the spirit and meaning of the Apple Blossom Festival; and

WHEREAS, These three young women are selected to reign over the Apple Blossom Festival and serve as ambassadors to the outlying communities as Princesses and Queen; and

WHEREAS, Maggie Chvilicek has been selected to represent her community as a 2013 Apple Blossom Princess, in part for her generous, kind, and independent character, her outstanding leadership as demonstrated by her being President of Wenatchee High School's Honor Society and Captain of the Cross Country Team, her everlasting commitment to her community and others as a volunteer and friend, and her love for her family; and

WHEREAS, Madi Still has been selected to represent her community as a 2013 Apple Blossom Princess, in part for her poise, intelligence, and humility, her strong academic performance at Wenatchee High School and extracurricular activities including Drama Club, Teens Against Tobacco Use, and Honor Society, her contributions to Central Washington Hospital as a volunteer, and her longstanding support of the community she has always lived in; and

WHEREAS, Emily Abbott has been selected to represent her community as the 2013 Apple Blossom Queen, in part for her patience, energy, and optimism, her love for the stage as an amazing singer and actress, her achievements at Eastmont High School as President of Chamber Choir and participation in Jazz Choir, Honor Society, Cross Country, and Future Business Leaders of America, and her exceptional kindness to friends, family, and everyone throughout the community she calls home; and

WHEREAS, These three young women all desire to share their proven talents and leadership ambition to serve their community and be an encouragement to those they encounter;

NOW, THEREFORE, BE IT RESOLVED, That the Senate of the State of Washington honor the accomplishments of the members of the Apple Blossom Festival Court and join the City of Wenatchee and the people of the State of Washington in celebrating the Washington State Apple Blossom Festival; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Secretary of the Senate to Queen Emily Abbott, Princess Madi Still, Princess Maggie Chvilicek, and the Board of Directors and Chairs of the Washington State Apple Blossom Festival.

Senators Parlette and Darneille spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8653.

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

REMARKS BY THE PRESIDENT

President Owen: "Ladies and Gentlemen of the Senate, if I could get your attention for a moment please. As has been the custom for years in the Senate, we're privileged to have the remarks made by the Queen of the Apple Blossom Festival. This year's Queen Emily Abbot."

REMARKS BY QUEEN EMILY ABBOTT

Miss Abbott: "Hello, thank you for having us here today. The opportunity to speak here today is a great honor. Along with Princesses Maggie Chvilicek and Madi Still, I would like to thank you for so warmly welcoming us to our state's capitol. As Ambassadors of the 2013 Apple Blossom Festival we are delighted and privileged to be here representing our beautiful home. Wenatchee's Apple Blossom Festival truly showcases our valley's natural beauty. As the sun rises over the magnificent Cascade Mountains which surround our valley, the Columbia River glistens like diamonds, the bikers and joggers happily begin their morning workout on the Loop Trail which encircles the river and the smell and sight of newly bloomed apple blossoms is fresh in the air. In addition to being fortunate enough to live in the apple capital of the world, an area rich with natural beauty and three hundred days of sunshine, we are also privileged to experience what truly makes this place so wonderful, our people. For as long as I can remember I have always been touched by the kindness, generosity, and support the Wenatchee Valley citizens have for one another. As one of the premier festivals in the state of Washington, the ninety-fourth Apple Blossom Festival celebrates in a family-friendly manor, our civic pride, our people and of course the fruit industry that helped found this wonderful valley. This year's festival themes 'Lets Rock this Town' begins on April 25 and runs through May 5. This eleven day festival is filled with exciting and diverse activities for people of all ages and interests. Whether it's the impressive food fair, first class entertainment or the grand parade with the region's best or and urnate floats and marching bands. There's something for everyone to enjoy at Apple Blossom 2013. From our special youth weekend and parade, evoking the joys of childhood, to the arts and crafts festival, premier golf tournament and Apple Blossom Musical 'Happy Days,' there are a multitude of fun opportunities for people of all ages. With assistance from our web page Appleblossom.org. please make your way to Wenatchee this spring to take part in this year's Apple Blossom Festival. As you have warmly welcomed us to your home we in turn invite you to ours. I look forward seeing you and hope you will join and 'Let's Rock this Town.' Thank you."

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced the Wenatchee Apple Blossom Royalty Court: Princess Maggie Chvilicek and Princess Madi Still who were seated at the rostrum. The President also introduced Mr. & Mrs. Steve and Irene Soth and Mrs. Adele Haley, Royalty Court Chaperones, who were present in the gallery.

MOTION

On motion of Senator Fain, Senator Carrell was excused.

MOTION

On motion of Senator Fain, the Senate reverted to the seventh order of business.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS
MOTION

Senator Harper moved that Janet Kusler, Gubernatorial Appointment No. 9044, be confirmed as a member of the Everett Community College District No. 5.

Senator Harper spoke in favor of the motion.

MOTION

On motion of Senator Billig, Senator Hobbs was excused.

APPOINTMENT OF JANET KUSLER

The President declared the question before the Senate to be the confirmation of Janet Kusler, Gubernatorial Appointment No.

9044, as a member of the Everett Community College District No. 5.

The Secretary called the roll on the confirmation of Janet Kusler, Gubernatorial Appointment No. 9044, as a member of the Everett Community College District No. 5 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

Janet Kusler, Gubernatorial Appointment No. 9044, having received the constitutional majority was declared confirmed as a member of the Everett Community College District No. 5.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Hill moved that Neil Johnson, Gubernatorial Appointment No. 9042, be confirmed as a member of the Board of Trustees, Lake Washington Technical College District No. 26.

Senator Hill spoke in favor of the motion.

APPOINTMENT OF NEIL JOHNSON

The President declared the question before the Senate to be the confirmation of Neil Johnson, Gubernatorial Appointment No. 9042, as a member of the Board of Trustees, Lake Washington Technical College District No. 26.

The Secretary called the roll on the confirmation of Neil Johnson, Gubernatorial Appointment No. 9042, as a member of the Board of Trustees, Lake Washington Technical College District No. 26 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

Neil Johnson, Gubernatorial Appointment No. 9042, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Lake Washington Technical College District No. 26.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Hatfield moved that Michael Maxwell, Gubernatorial Appointment No. 9046, be confirmed as a member of the Board of Trustees, Peninsula Community College District No. 1.

Senator Hatfield spoke in favor of the motion.

APPOINTMENT OF MICHAEL MAXWELL

The President declared the question before the Senate to be the confirmation of Michael Maxwell, Gubernatorial Appointment No. 9046, as a member of the Board of Trustees, Peninsula Community College District No. 1.

The Secretary called the roll on the confirmation of Michael Maxwell, Gubernatorial Appointment No. 9046, as a member of the Board of Trustees, Peninsula Community College District No. 1 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

Michael Maxwell, Gubernatorial Appointment No. 9046, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Peninsula Community College District No. 1.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator McAuliffe moved that Janet McDaniel, Gubernatorial Appointment No. 9048, be confirmed as a member of the Board of Trustees, Cascadia Community College District No. 30.

Senator McAuliffe spoke in favor of the motion.

APPOINTMENT OF JANET MCDANIEL

The President declared the question before the Senate to be the confirmation of Janet McDaniel, Gubernatorial Appointment No. 9048, as a member of the Board of Trustees, Cascadia Community College District No. 30.

The Secretary called the roll on the confirmation of Janet McDaniel, Gubernatorial Appointment No. 9048, as a member of the Board of Trustees, Cascadia Community College District No. 30 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

Janet McDaniel, Gubernatorial Appointment No. 9048, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Cascadia Community College District No. 30.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator McAuliffe moved that Louis Mendoza, Gubernatorial Appointment No. 9050, be confirmed as a member of the Board of Trustees, Cascadia Community College District No. 30.

Senator McAuliffe spoke in favor of the motion.

APPOINTMENT OF LOUIS MENDOZA

The President declared the question before the Senate to be the confirmation of Louis Mendoza, Gubernatorial Appointment No. 9050, as a member of the Board of Trustees, Cascadia Community College District No. 30.

The Secretary called the roll on the confirmation of Louis Mendoza, Gubernatorial Appointment No. 9050, as a member of the Board of Trustees, Cascadia Community College District No. 30 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

Louis Mendoza, Gubernatorial Appointment No. 9050, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Cascadia Community College District No. 30.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Baumgartner moved that Edwin Morgan, Gubernatorial Appointment No. 9052, be confirmed as a member of the Board of Trustees, Spokane and Spokane Falls Community College District No. 17.

Senator Baumgartner spoke in favor of the motion.

APPOINTMENT OF EDWIN MORGAN

The President declared the question before the Senate to be the confirmation of Edwin Morgan, Gubernatorial Appointment No. 9052, as a member of the Board of Trustees, Spokane and Spokane Falls Community College District No. 17.

The Secretary called the roll on the confirmation of Edwin Morgan, Gubernatorial Appointment No. 9052, as a member of the Board of Trustees, Spokane and Spokane Falls Community College District No. 17 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

Edwin Morgan, Gubernatorial Appointment No. 9052, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Spokane and Spokane Falls Community College District No. 17.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Schlicher moved that Jim Page, Gubernatorial Appointment No. 9055, be confirmed as a member of the Board of Trustees, Olympic Community College District No. 3.

Senator Schlicher spoke in favor of the motion.

APPOINTMENT OF JIM PAGE

The President declared the question before the Senate to be the confirmation of Jim Page, Gubernatorial Appointment No. 9055, as a member of the Board of Trustees, Olympic Community College District No. 3.

The Secretary called the roll on the confirmation of Jim Page, Gubernatorial Appointment No. 9055, as a member of the Board of Trustees, Olympic Community College District No. 3 and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

Jim Page, Gubernatorial Appointment No. 9055, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Olympic Community College District No. 3.

MOTION

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

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1537, by House Committee on Government Operations & Elections (originally sponsored by Representatives O'Ban, Angel, Hayes, Green, Zeiger, Bergquist, Johnson, Ryu, Morrell and Shea)

Addressing a veteran's preference for the purpose of public employment.

The measure was read the second time.

MOTION

On motion of Senator Roach, the rules were suspended, Substitute House Bill No. 1537 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Roach, Hasegawa and Schlicher spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1537.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1537 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

SUBSTITUTE HOUSE BILL NO. 1537, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1307, by House Committee on Judiciary (originally sponsored by Representatives Goodman, Lytton, Wylie, Jinkins, Cody, Roberts, Santos and Moscoso)

Concerning sexual assault protection orders.

The measure was read the second time.

MOTION

On motion of Senator Pearson, the rules were suspended, Substitute House Bill No. 1307 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Pearson spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1307.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1307 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

SUBSTITUTE HOUSE BILL NO. 1307, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1836, by House Committee on Public Safety (originally sponsored by Representatives Holy, Goodman, Roberts, Hope, Hayes and Appleton)

Concerning the introduction of contraband into or possession of contraband in a secure facility.

The measure was read the second time.

MOTION

On motion of Senator Pearson, the rules were suspended, Substitute House Bill No. 1836 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Pearson and Darneille spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1836.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1836 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

SUBSTITUTE HOUSE BILL NO. 1836, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1146, by Representatives Nealey, Blake, Chandler, Lytton, Warnick, Schmick, Walsh, Ryu and Haler

Concerning certified water right examiner bonding requirements.

The measure was read the second time.

MOTION

On motion of Senator Hatfield, the rules were suspended, House Bill No. 1146 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hatfield spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1146.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1146 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senator Baumgartner

Excused: Senator Carrell

HOUSE BILL NO. 1146, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED HOUSE BILL NO. 1394, by Representatives Reykdal, Manweller, Sells, Hunt, Green, Van De Wege and Appleton

Changing the employment security department's settlement authority.

The measure was read the second time.

MOTION

Senator Holmquist Newbry moved that the following committee striking amendment by the Committee on Commerce & Labor be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 50.24.020 and 1983 1st ex.s. c 23 s 14 are each amended to read as follows:

The commissioner may compromise any claim for contributions, interest, or penalties due and owing from an employer, and any amount owed by an individual because of benefit overpayments((~~, whether reduced to judgment or otherwise,~~)) existing or arising under this title in any case where collection of the full ((~~claim, in the case of contributions, interest, or penalties, would result in the insolvency of the employing unit or individual from whom such contributions, interest, or penalties are claimed, and any case where collection of the full amount of benefit overpayments made to an individual~~)) amount due and owing, whether reduced to judgment or otherwise, would be against equity and good conscience.

Whenever a compromise is made by the commissioner in the case of a claim for contributions, interest, or penalties, whether reduced to judgment or otherwise, there shall be placed on file in the office of the unemployment compensation division a statement of the amount of contributions, interest, and penalties imposed by law and claimed due, attorneys' fees and costs, if any, a complete record of the compromise agreement, and the amount actually paid in accordance with the terms of the compromise agreement. Whenever a compromise is made by the commissioner in the case of a claim of a benefit overpayment, whether reduced to judgment or otherwise, there shall be placed on file in the office of the unemployment compensation division a statement of the amount of the benefit overpayment, attorneys' fees and costs, if any, a complete record of the compromise agreement, and the amount actually paid in accordance with the terms of the compromise agreement.

If any such compromise is accepted by the commissioner, within such time as may be stated in the compromise or agreed to, such compromise shall be final and conclusive and except upon showing of fraud or malfeasance or misrepresentation of a material fact the case shall not be reopened as to the matters agreed upon. In any suit, action, or proceeding, such agreement or any determination, collection, payment, adjustment, refund, or credit made in accordance therewith shall not be annulled, modified, set aside, or disregarded.

NEW SECTION. **Sec. 2.** If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is inoperative solely to the extent of the conflict, and the finding or determination does not affect the operation of the remainder of this act. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

NEW SECTION. **Sec. 3.** 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. 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 immediately.

NEW SECTION. **Sec. 5.** Section 1 of this act applies retroactively to January 1, 2013."

Senator Holmquist Newbry spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Commerce & Labor to Engrossed House Bill No. 1394.

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

MOTION

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

On page 1, line 2 of the title, after "authority;" strike the remainder of the title and insert "amending RCW 50.24.020; creating new sections; and declaring an emergency."

MOTION

On motion of Senator Holmquist Newbry, the rules were suspended, Engrossed House Bill No. 1394 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Holmquist Newbry and Conway 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. 1394 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 1394 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

ENGROSSED HOUSE BILL NO. 1394 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1115, by House Committee on Judiciary (originally sponsored by Representatives Pedersen and Rodne)

Concerning the Uniform Commercial code.

The measure was read the second time.

MOTION

Senator Padden moved that the following committee striking amendment by the Committee on Law & Justice be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 62A.4A-108 and 1991 sp.s. c 21 s 4A-108 are each amended to read as follows:

RELATIONSHIP TO ELECTRONIC FUND TRANSFER ACT. (a) Except as provided in subsection (b) of this section, this Article does not apply to a funds transfer any part of which is governed by the Electronic Fund Transfer Act of 1978 (Title XX, P.L. 95-630, 92 Stat. 3728, 15 U.S.C. Sec. 1693 et seq.) ((~~as amended from time to time~~)).

(b) This Article applies to a funds transfer that is a remittance transfer as defined in the Electronic Fund Transfer Act (15 U.S.C. Sec. 1693o-1), unless the remittance transfer is an electronic fund transfer as defined in the Electronic Fund Transfer Act (15 U.S.C. Sec. 1693a).

(c) In a funds transfer to which this Article applies, in the event of an inconsistency between an applicable provision of this Article and an applicable provision of the Electronic Fund Transfer Act, the provision of the Electronic Fund Transfer Act governs to the extent of the inconsistency.

Sec. 2. RCW 62A.4A-103 and 1991 sp.s. c 21 s 4A-103 are each amended to read as follows:

(((~~(1)~~))) (a) In this Article:

(((~~(a)~~))) (1) "Payment order" means an instruction of a sender to a receiving bank, transmitted orally, electronically, or in writing, to pay, or to cause another bank to pay, a fixed or determinable amount of money to a beneficiary if:

(i) The instruction does not state a condition ((~~of~~)) to payment to the beneficiary other than time of payment;

(ii) The receiving bank is to be reimbursed by debiting an account of, or otherwise receiving payment from, the sender; and

(iii) The instruction is transmitted by the sender directly to the receiving bank or to an agent, funds-transfer system, or communication system for transmittal to the receiving bank.

(((~~(b)~~))) (2) "Beneficiary" means the person to be paid by the beneficiary's bank.

(((~~(c)~~))) (3) "Beneficiary's bank" means the bank identified in a payment order in which an account of the beneficiary is to be credited pursuant to the order or which otherwise is to make payment to the beneficiary if the order does not provide for payment to an account.

(((~~(d)~~))) (4) "Receiving bank" means the bank to which the sender's instruction is addressed.

(((~~(e)~~))) (5) "Sender" means the person giving the instruction to the receiving bank.

(((~~(2)~~))) (b) If an instruction complying with subsection (((~~(1)(a)~~))) (a)(1) of this section is to make more than one payment to a beneficiary, the instruction is a separate payment order with respect to each payment.

(((~~(3)~~))) (c) A payment order is issued when it is sent to the receiving bank.

Sec. 3. RCW 62A.4A-104 and 1991 sp.s. c 21 s 4A-104 are each amended to read as follows:

In this Article:

(((~~(1)~~))) (a) "Funds transfer" means the series of transactions, beginning with the originator's payment order, made for the purpose of making payment to the beneficiary of the order. The term includes any payment order issued by the originator's bank or an intermediary bank intended to carry out the originator's payment order. A funds transfer is completed by acceptance by the beneficiary's bank of a payment order for the benefit of the beneficiary of the originator's payment order.

(((~~(2)~~))) (b) "Intermediary bank" means a receiving bank other than the originator's bank or the beneficiary's bank.

(((~~(3)~~))) (c) "Originator" means the sender of the first payment order in a funds transfer.

(((~~(4)~~))) (d) "Originator's bank" means (((~~(a)~~))) (i) the receiving bank to which the payment order of the originator is issued if the originator is not a bank, or (((~~(b)~~))) (ii) the originator if the originator is a bank.

Sec. 4. RCW 62A.4A-105 and 2012 c 214 s 1201 are each amended to read as follows:

(((~~(1)~~))) (a) In this Article:

(((~~(a)~~))) (1) "Authorized account" means a deposit account of a customer in a bank designated by the customer as a source of payment of payment orders issued by the customer to the bank. If a customer does not so designate an account, any account of the customer is an authorized account if payment of a payment order from that account is not inconsistent with a restriction on the use of ((~~the~~)) that account.

(((~~(b)~~))) (2) "Bank" means a person engaged in the business of banking and includes a savings bank, savings and loan association, credit union, and trust company. A branch or separate office of a bank is a separate bank for purposes of this Article.

(((~~(c)~~))) (3) "Customer" means a person, including a bank, having an account with a bank or from whom a bank has agreed to receive payment orders.

(((~~(d)~~))) (4) "Funds-transfer business day" of a receiving bank means the part of a day during which the receiving bank is open for the receipt, processing, and transmittal of payment orders and cancellations and amendments of payment orders.

(((~~(e)~~))) (5) "Funds-transfer system" means a wire transfer network, automated clearing house, or other communication system of a clearing house or other association of banks through which a payment order by a bank may be transmitted to the bank to which the order is addressed.

(((~~(f)~~))) (6) [Reserved.]

(((~~(g)~~))) (7) "Prove" with respect to a fact means to meet the burden of establishing the fact (RCW 62A.1-201(b)(8)).

(((~~(2)~~))) (b) Other definitions applying to this Article and the sections in which they appear are:

"Acceptance"	RCW 62A.4A-209
"Beneficiary"	RCW 62A.4A-103
"Beneficiary's bank"	RCW 62A.4A-103
"Executed"	RCW 62A.4A-301
"Execution date"	RCW 62A.4A-301
"Funds transfer"	RCW 62A.4A-104
"Funds-transfer system rule"	RCW 62A.4A-501
"Intermediary bank"	RCW 62A.4A-104
"Originator"	RCW 62A.4A-104
"Originator's bank"	RCW 62A.4A-104
"Payment by beneficiary's bank to beneficiary"	RCW 62A.4A-405
"Payment by originator to beneficiary"	RCW 62A.4A-406
"Payment by sender to receiving bank"	RCW 62A.4A-403
"Payment date"	RCW 62A.4A-401
"Payment order"	RCW 62A.4A-103
"Receiving bank"	RCW 62A.4A-103
"Security procedure"	RCW 62A.4A-201
"Sender"	RCW 62A.4A-103

(((~~(3)~~))) (c) The following definitions in Article 4 (RCW 62A.4-101 through 62A.4-504) apply to this Article:

"Clearing house"	RCW 62A.4-104
"Item"	RCW 62A.4-104
"Suspends payments"	RCW 62A.4-104

(((~~(4)~~))) (d) In addition, Article 1 contains general definitions and principles of construction and interpretation applicable throughout this Article.

Sec. 5. RCW 62A.4A-106 and 2012 c 214 s 1202 are each amended to read as follows:

(((~~(1)~~))) (a) The time of receipt of a payment order or communication canceling or amending a payment order is determined by the rules applicable to receipt of a notice stated in RCW 62A.1-202. A receiving bank may fix a cut-off time or times on a funds-transfer business day for the receipt and processing of payment orders and communications canceling or amending payment orders. Different cut-off times may apply to payment orders, cancellations, or amendments, or to different categories of payment orders, cancellations, or amendments. A cut-off time may apply to senders generally or different cut-off times may apply to different senders or categories of payment orders. If a payment order or communication canceling or amending a payment order is received after the close of a funds-transfer business day or after the appropriate cut-off time on a funds-transfer business day, the receiving bank may treat the payment order or communication as received at the opening of the next funds-transfer business day.

(((~~(2)~~))) (b) If this Article refers to an execution date or payment date or states a day on which a receiving bank is required to take action, and the date or day does not fall on a funds-transfer business day, the next day that is a funds-transfer business day is treated as the date or day stated, unless the contrary is stated in this Article.

Sec. 6. RCW 62A.4A-202 and 1991 sp.s. c 21 s 4A-202 are each amended to read as follows:

(((~~(1)~~))) (a) A payment order received by the receiving bank is the authorized order of the person identified as sender if that person authorized the order or is otherwise bound by it under the law of agency.

(((~~(2)~~))) (b) If a bank and its customer have agreed that the authenticity of payment orders issued to the bank in the name of the customer as sender will be verified pursuant to a security procedure, a payment order received by the receiving bank is effective as the order of the customer, whether or not authorized, if (((~~(a)~~))) (i) the security procedure is a commercially reasonable method of providing security against unauthorized payment orders, and (((~~(b)~~))) (ii) the bank proves that it accepted the payment order in good faith and in compliance with the security procedure and any written agreement or instruction of the customer restricting acceptance of payment orders issued in the name of the customer. The bank is not required to follow an instruction that violates a written agreement with the customer or notice of which is not received at a time and in a manner affording the bank a reasonable opportunity to act on it before the payment order is accepted.

(((~~(3)~~))) (c) Commercial reasonableness of a security procedure is a question of law to be determined by considering the wishes of the customer expressed to the bank, the circumstances of the customer known to the bank, including the size, type, and frequency of payment orders normally issued by the customer to the bank, alternative security procedures offered to the customer, and security procedures in general use by customers and receiving banks similarly situated. A security procedure is deemed to be commercially reasonable if (((~~(a)~~))) (i) the security procedure was chosen (((~~[by]~~))) by the customer after the bank offered, and the customer refused, a security procedure that was commercially reasonable for that customer, and (((~~(b)~~))) (ii) the customer expressly agreed in writing to be bound by any payment order, whether or not authorized, issued in its name, and accepted by the bank in compliance with the security procedure chosen by the customer.

(((~~(4)~~))) (d) The term "sender" in this Article includes the customer in whose name a payment order is issued if the order is the authorized order of the customer under subsection (((~~(1)~~))) (a) of this section, or it is effective as the order of the customer under subsection (((~~(2)~~))) (b) of this section.

(((~~(5)~~))) (e) This section applies to amendments and cancellations of payment orders to the same extent it applies to payment orders.

(((~~(6)~~))) (f) Except as provided in this section and RCW 62A.4A-203(((~~(1)(a)~~))) (a)(1), rights and obligations arising under this section or RCW 62A.4A-203 may not be varied by agreement.

Sec. 7. RCW 62A.4A-203 and 1991 sp.s. c 21 s 4A-203 are each amended to read as follows:

(((~~(1)~~))) (a) If an accepted payment order is not, under RCW ((~~62A.4A-201(1)~~)) 62A.4A-202(a), an authorized order of a customer identified as sender, but is effective as an order of the customer pursuant to RCW 62A.4A-202(((~~(2)~~))) (b), the following rules apply.

(((~~(a)~~))) (1) By express written agreement, the receiving bank may limit the extent to which it is entitled to enforce or retain payment of the payment order.

(((~~(b)~~))) (2) The receiving bank is not entitled to enforce or retain payment of the payment order if the customer proves that the order

was not caused, directly or indirectly, by a person (i) entrusted at any time with duties to act for the customer with respect to payment orders or the security procedure, or (ii) who obtained access to transmitting facilities of the customer or who obtained, from a source controlled by the customer and without authority of the receiving bank, information facilitating breach of the security procedure, regardless of how the information was obtained or whether the customer was at fault. Information includes any access device, computer software, or the like.

(((~~(2)~~))) (b) This section applies to amendments of payment orders to the same extent it applies to payment orders.

Sec. 8. RCW 62A.4A-204 and 2012 c 214 s 1203 are each amended to read as follows:

(((~~(1)~~))) (a) If a receiving bank accepts a payment order issued in the name of its customer as sender which is (((~~(a)~~))) (i) not authorized and not effective as the order of the customer under RCW 62A.4A-202, or (((~~(b)~~))) (ii) not enforceable, in whole or in part, against the customer under RCW 62A.4A-203, the bank shall refund any payment of the payment order received from the customer to the extent the bank is not entitled to enforce payment and shall pay interest on the refundable amount calculated from the date the bank received payment to the date of the refund. However, the customer is not entitled to interest from the bank on the amount to be refunded if the customer fails to exercise ordinary care to determine that the order was not authorized by the customer and to notify the bank of the relevant facts within a reasonable time not exceeding ninety days after the date the customer received notification from the bank that the order was accepted or that the customer's account was debited with respect to the order. The bank is not entitled to any recovery from the customer on account of a failure by the customer to give notification as stated in this section.

(((~~(2)~~))) (b) Reasonable time under subsection (((~~(1)~~))) (a) of this section may be fixed by agreement as stated in RCW 62A.1-302(b), but the obligation of a receiving bank to refund payment as stated in subsection (((~~(1)~~))) (a) of this section may not otherwise be varied by agreement.

Sec. 9. RCW 62A.4A-205 and 1991 sp.s. c 21 s 4A-205 are each amended to read as follows:

(((~~(1)~~))) (a) If an accepted payment order was transmitted pursuant to a security procedure for the detection of error and the payment order (((~~(a)~~))) (i) erroneously instructed payment to a beneficiary not intended by the sender, (((~~(b)~~))) (ii) erroneously instructed payment in an amount greater than the amount intended by the sender, or (((~~(c)~~))) (iii) was an erroneously transmitted duplicate of a payment order previously sent by the sender, the following rules apply:

(((~~(i)~~))) (1) If the sender proves that the sender or a person acting on behalf of the sender pursuant to RCW 62A.4A-206 complied with the security procedure and that the error would have been detected if the receiving bank had also complied, the sender is not obliged to pay the order to the extent stated in (((~~(ii)~~))) paragraphs (2) and (((~~(iii)~~))) (3) of this subsection.

(((~~(ii)~~))) (2) If the funds transfer is completed on the basis of an erroneous payment order described in (((~~(b)~~))) clause (i) or (((~~(c)~~))) (iii) of this subsection (a), the sender is not obliged to pay the order and the receiving bank is entitled to recover from the beneficiary any amount paid to the beneficiary to the extent allowed by the law governing mistake and restitution.

(((~~(iii)~~))) (3) If the funds transfer is completed on the basis of a payment order described in (((~~(b)~~))) clause (ii) of this subsection (a), the sender is not obliged to pay the order to the extent the amount received by the beneficiary is greater than the amount intended by the sender. In that case, the receiving bank is entitled to recover from the beneficiary the excess amount received to the extent allowed by the law governing mistake and restitution.

(((~~(2)~~))) (b) If (((~~(a)~~))) (i) the sender of an erroneous payment order described in subsection (((~~(1)~~))) (a) of this section is not obliged to pay all or part of the order, and (((~~(b)~~))) (ii) the sender receives notification from the receiving bank that the order was accepted by the bank or that the sender's account was debited with respect to the order, the sender has a duty to exercise ordinary care, on the basis of information available to the sender, to discover the error with respect to the order and to advise the bank of the relevant facts within a reasonable time, not exceeding ninety days, after the bank's notification was received by the sender. If the bank proves that the sender failed to perform that duty, the sender is liable to the bank for the loss the bank proves it incurred as a result of the failure, but the liability of the sender may not exceed the amount of the sender's order.

(((~~(3)~~))) (c) This section applies to amendments to payment orders to the same extent it applies to payment orders.

Sec. 10. RCW 62A.4A-206 and 1991 sp.s. c 21 s 4A-206 are each amended to read as follows:

(((~~(1)~~))) (a) If a payment order addressed to a receiving bank is transmitted to a funds-transfer system or other third-party communication system for transmittal to the bank, the system is deemed to be an agent of the sender for the purpose of transmitting the payment order to the bank. If there is a discrepancy between the terms of the payment order transmitted to the system and the terms of the payment order transmitted by the system to the bank, the terms of the payment order of the sender are those transmitted by the system. This section does not apply to a funds-transfer system of the federal reserve banks.

(((~~(2)~~))) (b) This section applies to cancellations and amendments of payment orders to the same extent it applies to payment orders.

Sec. 11. RCW 62A.4A-207 and 1991 sp.s. c 21 s 4A-207 are each amended to read as follows:

(((~~(1)~~))) (a) Subject to subsection (((~~(2)~~))) (b) of this section, if, in a payment order received by the beneficiary's bank, the name, bank account number, or other identification of the beneficiary refers to a nonexistent or unidentifiable person or account, no person has rights as a beneficiary of the order and acceptance of the order cannot occur.

(((~~(2)~~))) (b) If a payment order received by the beneficiary's bank identifies the beneficiary both by name and by an identifying or bank account number and the name and number identify different persons, the following rules apply:

(((~~(a)~~))) (1) Except as otherwise provided in subsection (((~~(3)~~))) (c) of this section, if the beneficiary's bank does not know that the name and number refer to different persons, it may rely on the number as the proper identification of the beneficiary of the order. The beneficiary's bank need not determine whether the name and number refer to the same person.

(((~~(b)~~))) (2) If the beneficiary's bank pays the person identified by name or knows that the name and number identify different persons, no person has rights as beneficiary except the person paid by the beneficiary's bank if that person was entitled to receive payment from the originator of the funds transfer. If no person has rights as beneficiary, acceptance of the order cannot occur.

(((~~(3)~~))) (c) If (((~~(a)~~))) (i) a payment order described in subsection (((~~(2)~~))) (b) of this section is accepted, (((~~(b)~~))) (ii) the originator's payment order described the beneficiary inconsistently by name and number, and (((~~(c)~~))) (iii) the beneficiary's bank pays the person identified by number as permitted by subsection (((~~(2)(a)~~))) (b)(1) of this section, the following rules apply:

(((~~(i)~~))) (1) If the originator is a bank, the originator is obliged to pay its order.

(((~~(ii)~~))) (2) If the originator is not a bank and proves that the person identified by number was not entitled to receive payment from the originator, the originator is not obliged to pay its order

unless the originator's bank proves that the originator, before acceptance of the originator's order, had notice that payment of a payment order issued by the originator might be made by the beneficiary's bank on the basis of an identifying or bank account number even if it identifies a person different from the named beneficiary. Proof of notice may be made by any admissible evidence. The originator's bank satisfies the burden of proof if it proves that the originator, before the payment order was accepted, signed a writing stating the information to which the notice relates.

(((~~(4)~~))) (d) In a case governed by subsection (((~~(2)(a)~~))) (b)(1) of this section, if the beneficiary's bank rightfully pays the person identified by number and that person was not entitled to receive payment from the originator, the amount paid may be recovered from that person to the extent allowed by the law governing mistake and restitution as follows:

(((~~(a)~~))) (1) If the originator is obliged to pay its payment order as stated in subsection (((~~(3)~~))) (c) of this section, the originator has the right to recover.

(((~~(b)~~))) (2) If the originator is not a bank and is not obliged to pay its payment order, the originator's bank has the right to recover.

Sec. 12. RCW 62A.4A-208 and 1991 sp.s. c 21 s 4A-208 are each amended to read as follows:

(((~~(1)~~))) (a) This subsection applies to a payment order identifying an intermediary bank or the beneficiary's bank only by an identifying number.

(((~~(a)~~))) (1) The receiving bank may rely on the number as the proper identification of the intermediary or beneficiary's bank and need not determine whether the number identifies a bank.

(((~~(b)~~))) (2) The sender is obliged to compensate the receiving bank for any loss and expenses incurred by the receiving bank as a result of its reliance on the number in executing or attempting to execute the order.

(((~~(2)~~))) (b) This subsection applies to a payment order identifying an intermediary bank or the beneficiary's bank both by name and an identifying number if the name and number identify different persons.

(((~~(a)~~))) (1) If the sender is a bank, the receiving bank may rely on the number as the proper identification of the intermediary or beneficiary's bank if the receiving bank, when it executes the sender's order, does not know that the name and number identify different persons. The receiving bank need not determine whether the name and number refer to the same person or whether the number refers to a bank. The sender is obliged to compensate the receiving bank for any loss and expenses incurred by the receiving bank as a result of its reliance on the number in executing or attempting to execute the order.

(((~~(b)~~))) (2) If the sender is not a bank and the receiving bank proves that the sender, before the payment order was accepted, had notice that the receiving bank might rely on the number as the proper identification of the intermediary or beneficiary's bank even if it identifies a person different from the bank identified by name, the rights and obligations of the sender and the receiving bank are governed by subsection (((~~(2)(a)~~))) (b)(1) of this section, as though the sender were a bank. Proof of notice may be made by any admissible evidence. The receiving bank satisfies the burden of proof if it proves that the sender, before the payment order was accepted, signed a writing stating the information to which the notice relates.

(((~~(c)~~))) (3) Regardless of whether the sender is a bank, the receiving bank may rely on the name as the proper identification of the intermediary or beneficiary's bank if the receiving bank, at the time it executes the sender's order, does not know that the name and number identify different persons. The receiving bank need not determine whether the name and number refer to the same person.

(((~~(d)~~))) (4) If the receiving bank knows that the name and number identify different persons, reliance on either the name or the number in executing the sender's payment order is a breach of the obligation stated in RCW 62A.4A-302(((~~(1)(a)~~))) (a)(1).

Sec. 13. RCW 62A.4A-209 and 1991 sp.s. c 21 s 4A-209 are each amended to read as follows:

(((~~(1)~~))) (a) Subject to subsection (((~~(4)~~))) (d) of this section, a receiving bank other than the beneficiary's bank accepts a payment order when it executes the order.

(((~~(2)~~))) (b) Subject to subsections (((~~(3) and (4)~~))) (c) and (d) of this section, a beneficiary's bank accepts a payment order at the earliest of the following times:

(((~~(a)~~))) (1) When the bank (i) pays the beneficiary as stated in RCW 62A.4A-405 (((~~(1) or (2)~~))) (a) or (b) or (ii) notifies the beneficiary of receipt of the order or that the account of the beneficiary has been credited with respect to the order unless the notice indicates that the bank is rejecting the order or that funds with respect to the order may not be withdrawn or used until receipt of payment from the sender of the order;

(((~~(b)~~))) (2) When the bank receives payment of the entire amount of the sender's order pursuant to RCW 62A.4A-403(((~~(1) (a) or (b)~~))) (a) (1) or (2); or

(((~~(c)~~))) (3) The opening of the next funds-transfer business day of the bank following the payment date of the order if, at that time, the amount of the sender's order is fully covered by a withdrawable credit balance in an authorized account of the sender or the bank has otherwise received full payment from the sender, unless the order was rejected before that time or is rejected within (i) one hour after that time, or (ii) one hour after the opening of the next business day of the sender following the payment date if that time is later. If notice of rejection is received by the sender after the payment date and the authorized account of the sender does not bear interest, the bank is obliged to pay interest to the sender on the amount of the order for the number of days elapsing after the payment date to the day the sender receives notice or learns that the order was not accepted, counting that day as an elapsed day. If the withdrawable credit balance during that period falls below the amount of the order, the amount of interest payable is reduced accordingly.

(((~~(3)~~))) (c) Acceptance of a payment order cannot occur before the order is received by the receiving bank. Acceptance does not occur under subsection (((~~(2)(b) or (c)~~))) (b) (2) or (3) of this section if the beneficiary of the payment order does not have an account with the receiving bank, the account has been closed, or the receiving bank is not permitted by law to receive credits for the beneficiary's account.

(((~~(4)~~))) (d) A payment order issued to the originator's bank cannot be accepted until the payment date if the bank is the beneficiary's bank, or the execution date if the bank is not the beneficiary's bank. If the originator's bank executes the originator's payment order before the execution date or pays the beneficiary of the originator's payment order before the payment date and the payment order is subsequently canceled pursuant to RCW 62A.4A-211(((~~(2)~~))) (b), the bank may recover from the beneficiary any payment received to the extent allowed by the law governing mistake and restitution.

Sec. 14. RCW 62A.4A-210 and 1991 sp.s. c 21 s 4A-210 are each amended to read as follows:

(((~~(1)~~))) (a) A payment order is rejected by the receiving bank by a notice of rejection transmitted to the sender orally, electronically, or in writing. A notice of rejection need not use any particular words and is sufficient if it indicates that the receiving bank is rejecting the order or will not execute or pay the order. Rejection is effective when the notice is given if transmission is by a means that is reasonable in the circumstances. If notice of rejection is given by a means that is not reasonable, rejection is effective when the notice is received. If an agreement of the sender and receiving bank establishes the means to be used to reject a payment order, (((~~(a)~~))) (i) any means complying with the agreement is reasonable and (((~~(b)~~)))

(ii) any means not complying is not reasonable unless no significant delay in receipt of the notice resulted from the use of the noncomplying means.

(((~~(2)~~))) (b) This subsection applies if a receiving bank other than the beneficiary's bank fails to execute a payment order despite the existence on the execution date of a withdrawable credit balance in an authorized account of the sender sufficient to cover the order. If the sender does not receive notice of rejection of the order on the execution date and the authorized account of the sender does not bear interest, the bank is obliged to pay interest to the sender on the amount of the order for the number of days elapsing after the execution date to the earlier of the day the order is canceled pursuant to RCW 62A.4A-211(((~~(4)~~))) (d) or the day the sender receives notice or learns that the order was not executed, counting the final day of the period as an elapsed day. If the withdrawable credit balance during that period falls below the amount of the order, the amount of interest is reduced accordingly.

(((~~(3)~~))) (c) If a receiving bank suspends payments, all unaccepted payment orders issued to it are deemed rejected at the time the bank suspends payments.

(((~~(4)~~))) (d) Acceptance of a payment order precludes a later rejection of the order. Rejection of a payment order precludes a later acceptance of the order.

Sec. 15. RCW 62A.4A-211 and 1991 sp.s. c 21 s 4A-211 are each amended to read as follows:

(((~~(1)~~))) (a) A communication of the sender of a payment order canceling or amending the order may be transmitted to the receiving bank orally, electronically, or in writing. If a security procedure is in effect between the sender and the receiving bank, the communication is not effective to cancel or amend the order unless the communication is verified pursuant to the security procedure or the bank agrees to the cancellation or amendment.

(((~~(2)~~))) (b) Subject to subsection (((~~(1)~~))) (a) of this section, a communication by the sender canceling or amending a payment order is effective to cancel or amend the order if notice of the communication is received at a time and in a manner affording the receiving bank a reasonable opportunity to act on the communication before the bank accepts the payment order.

(((~~(3)~~))) (c) After a payment order has been accepted, cancellation or amendment of the order is not effective unless the receiving bank agrees or a funds-transfer system rule allows cancellation or amendment without agreement of the bank.

(((~~(a)~~))) (1) With respect to a payment order accepted by a receiving bank other than the beneficiary's bank, cancellation or amendment is not effective unless a conforming cancellation or amendment of the payment order issued by the receiving bank is also made.

(((~~(b)~~))) (2) With respect to a payment order accepted by the beneficiary's bank, cancellation or amendment is not effective unless the order was issued in execution of an unauthorized payment order, or because of a mistake by a sender in the funds transfer which resulted in the issuance of a payment order (i) that is a duplicate of a payment order previously issued by the sender, (ii) that orders payment to a beneficiary not entitled to receive payment from the originator, or (iii) that orders payment in an amount greater than the amount the beneficiary was entitled to receive from the originator. If the payment order is canceled or amended, the beneficiary's bank is entitled to recover from the beneficiary any amount paid to the beneficiary to the extent allowed by the law governing mistake and restitution.

(((~~(4)~~))) (d) An unaccepted payment order is canceled by operation of law at the close of the fifth funds-transfer business day of the receiving bank after the execution date or payment date of the order.

(((~~(5)~~))) (e) A canceled payment order cannot be accepted. If an accepted payment order is canceled, the acceptance is nullified and no person has any right or obligation based on the acceptance. Amendment of a payment order is deemed to be cancellation of the original order at the time of amendment and issue of a new payment order in the amended form at the same time.

(((~~(6)~~))) (f) Unless otherwise provided in an agreement of the parties or in a funds-transfer system rule, if the receiving bank, after accepting a payment order, agrees to cancellation or amendment of the order by the sender or is bound by a funds-transfer system rule allowing cancellation or amendment without the bank's agreement, the sender, whether or not cancellation or amendment is effective, is liable to the bank for any loss and expenses, including reasonable attorneys' fees, incurred by the bank as a result of the cancellation or amendment or attempted cancellation or amendment.

(((~~(7)~~))) (g) A payment order is not revoked by the death or legal incapacity of the sender unless the receiving bank knows of the death or of an adjudication of incapacity by a court of competent jurisdiction and has reasonable opportunity to act before acceptance of the order.

(((~~(8)~~))) (h) A funds-transfer system rule is not effective to the extent it conflicts with subsection (((~~(3)(b)~~))) (c)(2) of this section.

Sec. 16. RCW 62A.4A-212 and 1991 sp.s. c 21 s 4A-212 are each amended to read as follows:

If a receiving bank fails to accept a payment order that (([~~it~~])) it is obliged by express agreement to accept, the bank is liable for breach of the agreement to the extent provided in the agreement or in this Article, but does not otherwise have any duty to accept a payment order or, before acceptance, to take any action, or refrain from taking action, with respect to the order except as provided in this Article or by express agreement. Liability based on acceptance arises only when acceptance occurs as stated in RCW 62A.4A-209, and liability is limited to that provided in this Article. A receiving bank is not the agent of the sender or beneficiary of the payment order it accepts, or of any other party to the funds transfer, and the bank owes no duty to any party to the funds transfer except as provided in this Article or by express agreement.

Sec. 17. RCW 62A.4A-301 and 1991 sp.s. c 21 s 4A-301 are each amended to read as follows:

(((~~(1)~~))) (a) A payment order is "executed" by the receiving bank when it issues a payment order intended to carry out the payment order received by the bank. A payment order received by the beneficiary's bank can be accepted but cannot be executed.

(((~~(2)~~))) (b) "Execution date" of a payment order means the day on which the receiving bank may properly issue a payment order in execution of the sender's order. The execution date may be determined by instruction of the sender but cannot be earlier than the day the order is received and, unless otherwise determined, is the day the order is received. If the sender's instruction states a payment date, the execution date is the payment date or an earlier date on which execution is reasonably necessary to allow payment to the beneficiary on the payment date.

Sec. 18. RCW 62A.4A-302 and 1991 sp.s. c 21 s 4A-302 are each amended to read as follows:

(((~~(1)~~))) (a) Except as provided in subsections (((~~(2) through (4)~~))) (b) through (d) of this section, if the receiving bank accepts a payment order pursuant to RCW 62A.4A-209(((~~(1)~~))) (a), the bank has the following obligations in executing the order.

(((~~(a)~~))) (1) The receiving bank is obliged to issue, on the execution date, a payment order complying with the sender's order and to follow the sender's instructions concerning (i) any intermediary bank or funds-transfer system to be used in carrying out the funds transfer, or (ii) the means by which payment orders are to be transmitted in the funds transfer. If the originator's bank issues a payment order to an intermediary bank, the originator's

bank is obliged to instruct the intermediary bank according to the instruction of the originator. An intermediary bank in the funds transfer is similarly bound by an instruction given to it by the sender of the payment order it accepts.

(((~~(b)~~))) (2) If the sender's instruction states that the funds transfer is to be carried out telephonically or by wire transfer or otherwise indicates that the funds transfer is to be carried out by the most expeditious means, the receiving bank is obliged to transmit its payment order by the most expeditious available means, and to instruct any intermediary bank accordingly. If a sender's instruction states a payment date, the receiving bank is obliged to transmit its payment order at a time and by means reasonably necessary to allow payment to the beneficiary on the payment date or as soon thereafter as is feasible.

(((~~(2)~~))) (b) Unless otherwise instructed, a receiving bank executing a payment order may (((~~(a)~~))) (i) use any funds-transfer system if use of that system is reasonable in the circumstances, and (((~~(b)~~))) (ii) issue a payment order to the beneficiary's bank or to an intermediary bank through which a payment order conforming to the sender's order can expeditiously be issued to the beneficiary's bank if the receiving bank exercises ordinary care in the selection of the intermediary bank. A receiving bank is not required to follow an instruction of the sender designating a funds-transfer system to be used in carrying out the funds transfer if the receiving bank, in good faith, determines that it is not feasible to follow the instruction or that following the instruction would unduly delay completion of the funds transfer.

(((~~(3)~~))) (c) Unless subsection (((~~(1)(b)~~))) (a)(2) of this section applies or the receiving bank is otherwise instructed, the bank may execute a payment order by transmitting its payment order by first((~~-~~)) class mail or by any means reasonable in the circumstances. If the receiving bank is instructed to execute the sender's order by transmitting its payment order by a particular means, the receiving bank may issue its payment order by the means stated or by any means as expeditious as the means stated.

(((~~(4)~~))) (d) Unless instructed by the sender, (((~~(a)~~))) (i) the receiving bank may not obtain payment of its charges for services and expenses in connection with the execution of the sender's order by issuing a payment order in an amount equal to the amount of the sender's order less the amount of the charges, and (((~~(b)~~))) (ii) may not instruct a subsequent receiving bank to obtain payment of its charges in the same manner.

Sec. 19. RCW 62A.4A-303 and 1991 sp.s. c 21 s 4A-303 are each amended to read as follows:

(((~~(1)~~))) (a) A receiving bank that (((~~(a)~~))) (i) executes the payment order of the sender by issuing a payment order in an amount greater than the amount of the sender's order, or (((~~(b)~~))) (ii) issues a payment order in execution of the sender's order and then issues a duplicate order, is entitled to payment of the amount of the sender's order under RCW 62A.4A-402(((~~(3)~~))) (c) if that subsection is otherwise satisfied. The bank is entitled to recover from the beneficiary of the erroneous order the excess payment received to the extent allowed by the law governing mistake and restitution.

(((~~(2)~~))) (b) A receiving bank that executes the payment order of the sender by issuing a payment order in an amount less than the amount of the sender's order is entitled to payment of the amount of the sender's order under RCW 62A.4A-402(((~~(3)~~))) (c) if (((~~(a)~~))) (i) that subsection is otherwise satisfied and (((~~(b)~~))) (ii) the bank corrects its mistake by issuing an additional payment order for the benefit of the beneficiary of the sender's order. If the error is not corrected, the issuer of the erroneous order is entitled to receive or retain payment from the sender of the order it accepted only to the extent of the amount of the erroneous order. This subsection does not apply if the receiving bank executes the sender's payment order by issuing a payment order in an amount less than the amount of the sender's order for the purpose of obtaining payment of its charges for services and expenses pursuant to instruction of the sender.

(((~~(3)~~))) (c) If a receiving bank executes the payment order of the sender by issuing a payment order to a beneficiary different from the beneficiary of the sender's order and the funds transfer is completed on the basis of that error, the sender of the payment order that was erroneously executed and all previous senders in the funds transfer are not obliged to pay the payment orders they issued. The issuer of the erroneous order is entitled to recover from the beneficiary of the order the payment received to the extent allowed by the law governing mistake and restitution.

Sec. 20. RCW 62A.4A-304 and 1991 sp.s. c 21 s 4A-304 are each amended to read as follows:

If the sender of a payment order that is erroneously executed as stated in RCW 62A.4A-303 receives notification from the receiving bank that the order was executed or that the sender's account was debited with respect to the order, the sender has a duty to exercise ordinary care to determine, on the basis of information available to the sender, that the order was erroneously executed and to notify the bank of the relevant facts within a reasonable time not exceeding ninety days after the notification from the bank was received by the sender. If the sender fails to perform that duty, the bank is not obliged to pay interest on any amount refundable to the sender under RCW 62A.4A-402(((~~(4)~~))) (d) for the period before the bank learns of the execution error. The bank is not entitled to any recovery from the sender on account of a failure by the sender to perform the duty stated in this section.

Sec. 21. RCW 62A.4A-305 and 1991 sp.s. c 21 s 4A-305 are each amended to read as follows:

(((~~(1)~~))) (a) If a funds transfer is completed but execution of a payment order by the receiving bank in breach of RCW 62A.4A-302 results in delay in payment to the beneficiary, the bank is obliged to pay interest to either the originator or the beneficiary of the funds transfer for the period of delay caused by the improper execution. Except as provided in subsection (((~~(3)~~))) (c) of this section, additional damages are not recoverable.

(((~~(2)~~))) (b) If execution of a payment order by a receiving bank in breach of RCW 62A.4A-302 results in (((~~(a)~~))) (i) noncompletion of the funds transfer, (((~~(b)~~))) (ii) failure to use an intermediary bank designated by the originator, or (((~~(c)~~))) (iii) issuance of a payment order that does not comply with the terms of the payment order of the originator, the bank is liable to the originator for its expenses in the funds transfer and for incidental expenses and interest losses, to the extent not covered by subsection (((~~(1)~~))) (a) of this section, resulting from the improper execution. Except as provided in subsection (((~~(3)~~))) (c) of this section, additional damages are not recoverable.

(((~~(3)~~))) (c) In addition to the amounts payable under subsections (((~~(1) and (2)~~))) (a) and (b) of this section, damages, including consequential damages, are recoverable to the extent provided in an express written agreement of the receiving bank.

(((~~(4)~~))) (d) If a receiving bank fails to execute a payment order it was obliged by express agreement to execute, the receiving bank is liable to the sender for its expenses in the transaction and for incidental expenses and interest losses resulting from the failure to execute. Additional damages, including consequential damages, are recoverable to the extent provided in an express written agreement of the receiving bank, but are not otherwise recoverable.

(((~~(5)~~))) (e) Reasonable attorneys' fees are recoverable if demand for compensation under subsection (((~~(1) or (2)~~))) (a) or (b) of this section is made and refused before an action is brought on the claim. If a claim is made for breach of an agreement under subsection (((~~(4)~~))) (d) of this section and the agreement does not provide for damages, reasonable attorneys' fees are recoverable if demand for compensation under subsection (((~~(4)~~))) (d) of this section is made and refused before an action is brought on the claim.

(((~~(6)~~))) (f) Except as stated in this section, the liability of a receiving bank under subsections (((~~(1) and (2)~~))) (a) and (b) of this section may not be varied by agreement.

Sec. 22. RCW 62A.4A-402 and 1991 sp.s. c 21 s 4A-402 are each amended to read as follows:

(((~~(1)~~))) (a) This section is subject to RCW 62A.4A-205 and 62A.4A-207.

(((~~(2)~~))) (b) With respect to a payment order issued to the beneficiary's bank, acceptance of the order by the bank obliges the sender to pay the bank the amount of the order, but payment is not due until the payment date of the order.

(((~~(3)~~))) (c) This subsection is subject to subsection (((~~(5)~~))) (e) of this section and to RCW 62A.4A-303. With respect to a payment order issued to a receiving bank other than the beneficiary's bank, acceptance of the order by the receiving bank obliges the sender to pay the bank the amount of the sender's order. Payment by the sender is not due until the execution date of the sender's order. The obligation of that sender to pay its payment order is excused if the funds transfer is not completed by acceptance by the beneficiary's bank of a payment order instructing payment to the beneficiary of that sender's payment order.

(((~~(4)~~))) (d) If the sender of a payment order pays the order and was not obliged to pay all or part of the amount paid, the bank receiving payment is obliged to refund payment to the extent the sender was not obliged to pay. Except as provided in RCW 62A.4A-204 and 62A.4A-304, interest is payable on the refundable amount from the date of payment.

(((~~(5)~~))) (e) If a funds transfer is not completed as stated in ((~~this subsection~~)) (c) of this section and an intermediary bank is obliged to refund payment as stated in subsection (((~~(4)~~))) (d) of this section but is unable to do so because not permitted by applicable law or because the bank suspends payments, a sender in the funds transfer that executed a payment order in compliance with an instruction, as stated in RCW 62A.4A-302(((~~(1)(a)~~))) (a)(1), to route the funds transfer through that intermediary bank is entitled to receive or retain payment from the sender of the payment order that it accepted. The first sender in the funds transfer that issued an instruction requiring routing through that intermediary bank is subrogated to the right of the bank that paid the intermediary bank to refund as stated in subsection (((~~(4)~~))) (d) of this section.

(((~~(6)~~))) (f) The right of the sender of a payment order to be excused from the obligation to pay the order as stated in subsection (((~~(3)~~))) (c) of this section or to receive refund under subsection (((~~(4)~~))) (d) of this section may not be varied by agreement.

Sec. 23. RCW 62A.4A-403 and 1991 sp.s. c 21 s 4A-403 are each amended to read as follows:

(((~~(1)~~))) (a) Payment of the sender's obligation under RCW 62A.4A-402 to pay the receiving bank occurs as follows:

(((~~(a)~~))) (1) If the sender is a bank, payment occurs when the receiving bank receives final settlement of the obligation through a federal reserve bank or through a funds-transfer system.

(((~~(b)~~))) (2) If the sender is a bank and the sender (i) credited an account of the receiving bank with the sender, or (ii) caused an account of the receiving bank in another bank to be credited, payment occurs when the credit is withdrawn or, if not withdrawn, at midnight of the day on which the credit is withdrawable and the receiving bank learns of that fact.

(((~~(c)~~))) (3) If the receiving bank debits an account of the sender with the receiving bank, payment occurs when the debit is made to the extent the debit is covered by a withdrawable credit balance in the account.

(((~~(2)~~))) (b) If the sender and receiving bank are members of a funds-transfer system that nets obligations multilaterally among participants, the receiving bank receives final settlement when settlement is complete in accordance with the rules of the system. The obligation of the sender to pay the amount of a payment order transmitted through the funds-transfer system may be satisfied, to the extent permitted by the rules of the system, by setting off and applying against the sender's obligation the right of the sender to receive payment from the receiving bank of the amount of any other payment order transmitted to the sender by the receiving bank through the funds-transfer system. The aggregate balance of obligations owed by each sender to each receiving bank in the funds-transfer system may be satisfied, to the extent permitted by the rules of the system, by setting off and applying against that balance the aggregate balance of obligations owed to the sender by other members of the system. The aggregate balance is determined after the right of setoff stated in the second sentence of this subsection has been exercised.

(((~~(3)~~))) (c) If two banks transmit payment orders to each other under an agreement that settlement of the obligations of each bank to the other under RCW 62A.4A-402 will be made at the end of the day or other period, the total amount owed with respect to all orders transmitted by one bank shall be set off against the total amount owed with respect to all orders transmitted by the other bank. To the extent of the setoff, each bank has made payment to the other.

(((~~(4)~~))) (d) In a case not covered by subsection (((~~(1)~~))) (a) of this section, the time when payment of the sender's obligation under RCW 62A.4A-402 (((~~(2) or (3)~~))) (b) or (c) occurs is governed by applicable principles of law that determine when an obligation is satisfied.

Sec. 24. RCW 62A.4A-404 and 1991 sp.s. c 21 s 4A-404 are each amended to read as follows:

(((~~(1)~~))) (a) Subject to RCW 62A.4A-211(((~~(5)~~))) (e), 62A.4A-405(((~~(4)~~))) (d), and 62A.4A-405(((~~(5)~~))) (e), if a beneficiary's bank accepts a payment order, the bank is obliged to pay the amount of the order to the beneficiary of the order. Payment is due on the payment date of the order, but if acceptance occurs on the payment date after the close of the funds-transfer business day of the bank, payment is due on the next funds-transfer business day. If the bank refuses to pay after demand by the beneficiary and receipt of notice of particular circumstances that will give rise to consequential damages as a result of nonpayment, the beneficiary may recover damages resulting from the refusal to pay to the extent the bank had notice of the damages, unless the bank proves that it did not pay because of a reasonable doubt concerning the right of the beneficiary to payment.

(((~~(2)~~))) (b) If a payment order accepted by the beneficiary's bank instructs payment to an account of the beneficiary, the bank is obliged to notify the beneficiary of receipt of the order before midnight of the next funds-transfer business day following the payment date. If the payment order does not instruct payment to an account of the beneficiary, the bank is required to notify the beneficiary only if notice is required by the order. Notice may be given by first-class mail or any other means reasonable in the circumstances. If the bank fails to give the required notice, the bank is obliged to pay interest to the beneficiary on the amount of the payment order from the day notice should have been given until the day the beneficiary learned of receipt of the payment order by the bank. No other damages are recoverable. Reasonable attorneys' fees are also recoverable if demand for interest is made and refused before an action is brought on the claim.

(((~~(3)~~))) (c) The right of a beneficiary to receive payment and damages as stated in subsection (a) (([~~subsection (1) of this section~~])) of this section may not be varied by agreement or a funds-transfer system rule. The right of a beneficiary to be notified as stated in subsection (((~~(2)~~))) (b) of this section may be varied by agreement of the beneficiary or by a funds-transfer system rule if the beneficiary is notified of the rule before initiation of the funds transfer.

Sec. 25. RCW 62A.4A-405 and 1991 sp.s. c 21 s 4A-405 are each amended to read as follows:

(((~~(1)~~))) (a) If the beneficiary's bank credits an account of the beneficiary of a payment order, payment of the bank's obligation under RCW 62A.4A-404(((~~(1)~~))) (a) occurs when and to the extent (((~~(a)~~))) (i) the beneficiary is notified of the right to withdraw the credit, (((~~(b)~~))) (ii) the bank lawfully applies the credit to a debt of the beneficiary, or (((~~(c)~~))) (iii) funds with respect to the order are otherwise made available to the beneficiary by the bank.

(((~~(2)~~))) (b) If the beneficiary's bank does not credit an account of the beneficiary of a payment order, the time when payment of the bank's obligation under RCW 62A.4A-404(((~~(1)~~))) (a) occurs is governed by principles of law that determine when an obligation is satisfied.

(((~~(3)~~))) (c) Except as stated in subsections (((~~(4) and (5)~~))) (d) and (e) of this ((~~act [section]~~)) section, if the beneficiary's bank pays the beneficiary of a payment order under a condition to payment or agreement of the beneficiary giving the bank the right to recover payment from the beneficiary if the bank does not receive payment of the order, the condition to payment or agreement is not enforceable.

(((~~(4)~~))) (d) A funds-transfer system rule may provide that payments made to beneficiaries of funds transfers made through the system are provisional until receipt of payment by the beneficiary's bank of the payment order it accepted. A beneficiary's bank that makes a payment that is provisional under the rule is entitled to refund from the beneficiary if (((~~(a)~~))) (i) the rule requires that both the beneficiary and the originator be given notice of the provisional nature of the payment before the funds transfer is initiated, (((~~(b)~~))) (ii) the beneficiary, the beneficiary's bank and the originator's bank agreed to be bound by the rule, and (((~~(c)~~))) (iii) the beneficiary's bank did not receive payment of the payment order that it accepted. If the beneficiary is obliged to refund payment to the beneficiary's bank, acceptance of the payment order by the beneficiary's bank is nullified and no payment by the originator of the funds transfer to the beneficiary occurs under RCW 62A.4A-406.

(((~~(5)~~))) (e) This subsection applies to a funds transfer that includes a payment order transmitted over a funds-transfer system that (((~~(a)~~))) (i) nets obligations multilaterally among participants, and (((~~(b)~~))) (ii) has in effect a loss-sharing agreement among participants for the purpose of providing funds necessary to complete settlement of the obligations of one or more participants that do not meet their settlement obligations. If the beneficiary's bank in the funds transfer accepts a payment order and the system fails to complete settlement pursuant to its rules with respect to any payment order in the funds transfer, (i) the acceptance by the beneficiary's bank is nullified and no person has any right or obligation based on the acceptance, (ii) the beneficiary's bank is entitled to recover payment from the beneficiary, (iii) no payment by the originator to the beneficiary occurs under RCW 62A.4A-406, and (iv) subject to RCW 62A.4A-402(((~~(5)~~))) (e), ((~~each sender in the funds transfer is excused from its obligation to pay its payment order under RCW 62A.4A-402(5),~~)) each sender in the funds transfer is excused from its obligation to pay its payment order under RCW 62A.4A-402(((~~(3)~~))) (c) because the funds transfer has not been completed.

Sec. 26. RCW 62A.4A-406 and 1991 sp.s. c 21 s 4A-406 are each amended to read as follows:

(((~~(1)~~))) (a) Subject to RCW 62A.4A-211(((~~(5)~~))) (e), 62A.4A-405(((~~(4)~~))) (d), and 62A.4A-405(((~~(5)~~))) (e), the originator of a funds transfer pays the beneficiary of the originator's payment order (((~~(a)~~))) (i) at the time a payment order for the benefit of the beneficiary is accepted by the beneficiary's bank in the funds transfer and (((~~(b)~~))) (ii) in an amount equal to the amount of the order accepted by the beneficiary's bank, but not more than the amount of the originator's order.

(((~~(2)~~))) (b) If payment under subsection (((~~(1)~~))) (a) of this section is made to satisfy an obligation, the obligation is discharged to the same extent discharge would result from payment to the beneficiary of the same amount in money, unless (((~~(a)~~))) (i) the payment under subsection (((~~(1)~~))) (a) of this section was made by a means prohibited by the contract of the beneficiary with respect to the obligation, (((~~(b)~~))) (ii) the beneficiary, within a reasonable time after receiving notice of receipt of the order by the beneficiary's bank, notified the originator of the beneficiary's refusal of the payment, (((~~(c)~~))) (iii) funds with respect to the order were not withdrawn by the beneficiary or applied to a debt of the beneficiary, and (((~~(d)~~))) (iv) the beneficiary would suffer a loss that could reasonably have been avoided if payment had been made by a means complying with the contract. If payment by the originator does not result in discharge under this section, the originator is subrogated to the rights of the beneficiary to receive payment from the beneficiary's bank under RCW 62A.4A-404(((~~(1)~~))) (a).

(((~~(3)~~))) (c) For the purpose of determining whether discharge of an obligation occurs under subsection (((~~(2)~~))) (b) of this section, if the beneficiary's bank accepts a payment order in an amount equal to the amount of the originator's payment order less charges of one or more receiving banks in the funds transfer, payment to the beneficiary is deemed to be in the amount of the originator's order unless upon demand by the beneficiary the originator does not pay the beneficiary the amount of the deducted charges.

(((~~(4)~~))) (d) Rights of the originator or of the beneficiary of a funds transfer under this section may be varied only by agreement of the originator and the beneficiary.

Sec. 27. RCW 62A.4A-501 and 1991 sp.s. c 21 s 4A-501 are each amended to read as follows:

(((~~(1)~~))) (a) Except as otherwise provided in this Article, the rights and obligations of a party to a funds transfer may be varied by agreement of the affected party.

(((~~(2)~~))) (b) "Funds-transfer system rule" means a rule of an association of banks (((~~(a)~~))) (i) governing transmission of payment orders by means of a funds-transfer system of the association or rights and obligations with respect to those orders, or (((~~(b)~~))) (ii) to the extent the rule governs rights and obligations between banks that are parties to a funds transfer in which a federal reserve bank, acting as an intermediary bank, sends a payment order to the beneficiary's bank. Except as otherwise provided in this Article, a funds-transfer system rule governing rights and obligations between participating banks using the system may be effective even if the rule conflicts with ((~~the~~)) this Article and indirectly affects another party to the funds transfer who does not consent to the rule. A funds-transfer system rule may also govern rights and obligations of parties other than participating banks using the system to the extent stated in RCW 62A.4A-404(((~~(3)~~))) (c), 62A.4A-405(((~~(4)~~))) (d), and 62A.4A-507(((~~(3)~~))) (c).

Sec. 28. RCW 62A.4A-502 and 1991 sp.s. c 21 s 4A-502 are each amended to read as follows:

(((~~(1)~~))) (a) As used in this section, "creditor process" means levy, attachment, garnishment, notice of lien, sequestration, or similar process issued by or on behalf of a creditor or other claimant with respect to an account.

(((~~(2)~~))) (b) This subsection applies to creditor process with respect to an authorized account of the sender of a payment order if the creditor process is served on the receiving bank. For the purpose of determining rights with respect to the creditor process, if the receiving bank accepts the payment order the balance in the authorized account is deemed to be reduced by the amount of the payment order to the extent the bank did not otherwise receive payment of the order, unless the creditor process is served at ((~~the~~)) a time and in a manner affording the bank a reasonable opportunity to act on it before the bank accepts the payment order.

(((~~(3)~~))) (c) If a beneficiary's bank has received a payment order for payment to the beneficiary's account in the bank, the following rules apply:

(((~~(a)~~))) (1) The bank may credit the beneficiary's account. The amount credited may be set off against an obligation owed by the beneficiary to the bank or may be applied to satisfy creditor process served on the bank with respect to the account.

(((~~(b)~~))) (2) The bank may credit the beneficiary's account and allow withdrawal of the amount credited unless creditor process with respect to the account is served at ((~~the~~)) a time and in a manner affording the bank a reasonable opportunity to act to prevent withdrawal.

(((~~(c)~~))) (3) If creditor process with respect to the beneficiary's account has been served and the bank has had a reasonable opportunity to act on it, the bank may not reject the payment order except for a reason unrelated to the service of process.

(((~~(4)~~))) (d) Creditor process with respect to a payment by the originator to the beneficiary pursuant to a funds transfer may be served only on the beneficiary's bank with respect to the debt owed by that bank to the beneficiary. Any other bank served with the creditor process is not obliged to act with respect to the process.

Sec. 29. RCW 62A.4A-503 and 1991 sp.s. c 21 s 4A-503 are each amended to read as follows:

For proper cause and in compliance with applicable law, a court may restrain (((~~(1)~~))) (i) a person from issuing a payment order to initiate a funds transfer, (((~~(2)~~))) (ii) an originator's bank from executing the payment order of the originator, or (((~~(3)~~))) (iii) the beneficiary's bank from releasing funds to the beneficiary or the beneficiary from withdrawing the funds. A court may not otherwise restrain a person from issuing a payment order, paying or receiving payment of a payment order, or otherwise acting with respect to a funds transfer.

Sec. 30. RCW 62A.4A-504 and 1991 sp.s. c 21 s 4A-504 are each amended to read as follows:

(((~~(1)~~))) (a) If a receiving bank has received more than one payment order of the sender or one or more payment orders and other items that are payable from the sender's account, the bank may charge the sender's account with respect to the various orders and items in any sequence.

(((~~(2)~~))) (b) In determining whether a credit to an account has been withdrawn by the holder of the account or applied to a debt of the holder of the account, credits first made to the account are first withdrawn or applied.

Sec. 31. RCW 62A.4A-506 and 1991 sp.s. c 21 s 4A-506 are each amended to read as follows:

(((~~(1)~~))) (a) If, under this Article, a receiving bank is obliged to pay interest with respect to a payment order issued to the bank, the amount payable may be determined (((~~(a)~~))) (i) by agreement of the sender and receiving bank, or (((~~(b)~~))) (ii) by a funds-transfer system rule if the payment order is transmitted through a funds-transfer system.

(((~~(2)~~))) (b) If the amount of interest is not determined by an agreement or rule as stated in subsection (((~~(1)~~))) (a) of this section, the amount is calculated by multiplying the applicable federal funds rate by the amount on which interest is payable, and then multiplying the product by the number of days for which interest is payable. The applicable federal funds rate is the average of the federal funds rates published by the federal reserve bank of New York for each of the days for which interest is payable divided by three hundred sixty. The federal funds rate for any day on which a published rate is not available is the same as the published rate for the next preceding day for which there is a published rate. If a receiving bank that accepted a payment order is required to refund payment to the sender of the order because the funds transfer was not completed, but the failure to complete was not due to any fault by the bank, the interest payable is reduced by a percentage equal to the reserve requirement on deposits of the receiving bank.

Sec. 32. RCW 62A.4A-507 and 1991 sp.s. c 21 s 4A-507 are each amended to read as follows:

(((~~(1)~~))) (a) The following rules apply unless the affected parties otherwise agree or subsection (((~~(3)~~))) (c) of this section applies((~~;~~)):

(((~~(a)~~))) (1) The rights and obligations between the sender of a payment order and the receiving bank are governed by the law of the jurisdiction in which the receiving bank is located.

(((~~(b)~~))) (2) The rights and obligations between the beneficiary's bank and the beneficiary are governed by the law of the jurisdiction in which the beneficiary's bank is located.

(((~~(c)~~))) (3) The issue of when payment is made pursuant to a funds transfer by the originator to the beneficiary is governed by the law of the jurisdiction in which the beneficiary's bank is located.

(((~~(2)~~))) (b) If the parties described in each paragraph of subsection (((~~(1)~~))) (a) of this section have made an agreement selecting the law of a particular jurisdiction to govern rights and obligations between each other, the law of that jurisdiction governs those rights and obligations, whether or not the payment order or the funds transfer bears a reasonable relation to that jurisdiction.

(((~~(3)~~))) (c) A funds-transfer system rule may select the law of a particular jurisdiction to govern (((~~(a)~~))) (i) rights and obligations between participating banks with respect to payment orders transmitted or processed through the system, or (((~~(b)~~))) (ii) the rights and obligations of some or all parties to a funds transfer any part of which is carried out by means of the system. A choice of law made pursuant to (((~~(a)~~))) clause (i) of this subsection is binding on participating banks. A choice of law made pursuant to (((~~(b)~~))) clause (ii) of this subsection is binding on the originator, other sender, or a receiving bank having notice that the funds-transfer system might be used in the funds transfer and of the choice of law by the system when the originator, other sender, or receiving bank issued or accepted a payment order. The beneficiary of a funds transfer is bound by the choice of law if, when the funds transfer is initiated, the beneficiary has notice that the funds-transfer system might be used in the funds transfer and of the choice of law by the system. The law of a jurisdiction selected pursuant to this subsection may govern, whether or not that law bears a reasonable relation to the matter in issue.

(((~~(4)~~))) (d) In the event of inconsistency between an agreement under subsection (((~~(2)~~))) (b) of this section and a choice-of-law rule under subsection (((~~(3)~~))) (c) of this section, the agreement under subsection (((~~(2)~~))) (b) of this section prevails.

(((~~(5)~~))) (e) If a funds transfer is made by use of more than one funds-transfer system and there is inconsistency between choice-of-law rules of the systems, the matter in issue is governed by the law of the selected jurisdiction that has the most significant relationship to the matter in issue.

Sec. 33. RCW 62A.9A-502 and 2000 c 250 s 9A-502 are each amended to read as follows:

(a) **Sufficiency of financing statement.** Subject to subsection (b) of this section, a financing statement is sufficient only if it:

(1) Provides the name of the debtor;

(2) Provides the name of the secured party or a representative of the secured party; and

(3) Indicates the collateral covered by the financing statement.

(b) **Real-property-related financing statements.** Except as otherwise provided in RCW 62A.9A-501(b), to be sufficient, a financing statement that covers as-extracted collateral or timber to be cut, or which is filed as a fixture filing and covers goods that are or are to become fixtures, must satisfy subsection (a) of this section and also:

(1) Indicate that it covers this type of collateral;

(2) Indicate that it is to be filed for record in the real property records;

(3) Provide a description of the real property to which the collateral is related sufficient to give constructive notice of a mortgage under the law of this state if the description were contained in a record of the mortgage of the real property; and

(4) If the debtor does not have an interest of record in the real property, provide the name of a record owner.

(c) **Record of mortgage as financing statement.** A record of a mortgage is effective, from the date of recording, as a financing statement filed as a fixture filing or as a financing statement covering as-extracted collateral or timber to be cut only if:

(1) The record indicates the goods or accounts that it covers;

(2) The goods are or are to become fixtures related to the real property described in the record or the collateral is related to the real property described in the record and is as-extracted collateral or timber to be cut;

(3) The record satisfies the requirements for a financing statement in this section ((~~other than an indication~~)), but:

(A) The record need not indicate that it is to be filed in the real property records; and

(B) The record sufficiently provides the name of a debtor who is an individual if it provides the individual name of the debtor or the surname and first personal name of the debtor, even if the debtor is an individual to whom RCW 62A.9A-503(a)(4) applies; and

(4) The record is recorded.

(d) **Filing before security agreement or attachment.** A financing statement may be filed before a security agreement is made or a security interest otherwise attaches.

Sec. 34. RCW 62A.9A-503 and 2011 c 74 s 401 are each amended to read as follows:

(a) **Sufficiency of debtor's name.** A financing statement sufficiently provides the name of the debtor:

(1) Except as otherwise provided in (3) of this subsection (a), if the debtor is a registered organization or the collateral is held in a trust that is a registered organization, only if the financing statement provides the name that is stated to be the registered organization's name on the public organic record most recently filed with or issued or enacted by the registered organization's jurisdiction of organization which purports to state, amend, or restate the registered organization's name;

(2) Subject to subsection (f) of this section, if the collateral is being administered by the personal representative of a decedent, only if the financing statement provides, as the name of the debtor, the name of the decedent and, in a separate part of the financing statement, indicates that the collateral is being administered by a personal representative;

(3) If the collateral is held in a trust that is not a registered organization, only if the financing statement:

(A) Provides, as the name of the debtor:

(i) If the organic record of the trust specifies a name for the trust, the name specified; or

(ii) If the organic record of the trust does not specify a name for the trust, the name of the settlor or testator; and

(B) In a separate part of the financing statement:

(i) If the name is provided in accordance with (3)(A)(i) of this subsection, indicates that the collateral is held in a trust; or

(ii) If the name is provided in accordance with (3)(A)(ii) of this subsection, provides additional information sufficient to distinguish the trust from other trusts having one or more of the same settlors or the same testator and indicates that the collateral is held in a trust, unless the additional information so indicates;

(4) Subject to subsection (g) of this section, if the debtor is an individual to whom this state has issued a driver's license or identification card that has not expired, only if the financing statement((~~:~~

~~(A) Provides the individual name of the debtor;~~

~~(B) Provides the surname and first personal name of the debtor; or~~

~~(C) Subject to subsection (g) of this section,~~)) provides the name of the individual which is indicated on ((~~a~~)) the driver's license or identification card ((~~that this state has issued to the individual and which has not expired~~));

(5) If the debtor is an individual to whom (4) of this subsection (a) does not apply, only if the financing statement provides the individual name of the debtor or the surname and first personal name of the debtor; and

(((~~5~~))) (6) In other cases:

(A) If the debtor has a name, only if the financing statement provides the organizational name of the debtor; and

(B) If the debtor does not have a name, only if the financing statement provides the names of the partners, members, associates, or other persons comprising the debtor, in a manner that each name provided would be sufficient if the person named were the debtor.

(b) **Additional debtor-related information.** A financing statement that provides the name of the debtor in accordance with subsection (a) of this section is not rendered ineffective by the absence of:

(1) A trade name or other name of the debtor; or

(2) Unless required under subsection (((~~(a)(5)(B)~~))) (a)(6)(B) of this section, names of partners, members, associates, or other persons comprising the debtor.

(c) **Debtor's trade name insufficient.** A financing statement that provides only the debtor's trade name does not sufficiently provide the name of the debtor.

(d) **Representative capacity.** Failure to indicate the representative capacity of a secured party or representative of a secured party does not affect the sufficiency of a financing statement.

(e) **Multiple debtors and secured parties.** A financing statement may provide the name of more than one debtor and the name of more than one secured party.

(f) **Name of decedent.** The name of the decedent indicated on the order appointing the personal representative of the decedent issued by the court having jurisdiction over the collateral is sufficient as the "name of the decedent" under subsection (a)(2) of this section.

(g) **Multiple driver's licenses.** If this state has issued to an individual more than one driver's license or identification card of a kind described in subsection (a)(4) of this section, the one that was issued most recently is the one to which subsection (a)(4) of this section refers.

(h) **Definition.** In this section, the "name of the settlor or testator" means:

(1) If the settlor is a registered organization, the name that is stated to be the settlor's name on the public organic record most recently filed with or issued or enacted by the settlor's jurisdiction of organization which purports to state, amend, or restate the settlor's name; or

(2) In other cases, the name of the settlor or testator indicated in the trust's organic record.

NEW SECTION. **Sec. 35.** Section captions as used in this act are law.

NEW SECTION. **Sec. 36.** Sections 33 and 34 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2013."

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

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Law & Justice to Substitute House Bill No. 1115.

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

MOTION

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

On page 1, line 1 of the title, after "code;" strike the remainder of the title and insert "amending RCW 62A.4A-108, 62A.4A-103, 62A.4A-104, 62A.4A-105, 62A.4A-106, 62A.4A-202, 62A.4A-203, 62A.4A-204, 62A.4A-205, 62A.4A-206, 62A.4A-207, 62A.4A-208, 62A.4A-209, 62A.4A-210, 62A.4A-211, 62A.4A-212, 62A.4A-301, 62A.4A-302, 62A.4A-303, 62A.4A-304, 62A.4A-305, 62A.4A-402, 62A.4A-403, 62A.4A-404, 62A.4A-405, 62A.4A-406, 62A.4A-501, 62A.4A-502, 62A.4A-503, 62A.4A-504, 62A.4A-506, 62A.4A-507, 62A.9A-502, and 62A.9A-503; creating a new section; providing an effective date; and declaring an emergency."

MOTION

On motion of Senator Padden, the rules were suspended, Substitute House Bill No. 1115 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 Padden spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1115 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1115 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

SUBSTITUTE HOUSE BILL NO. 1115 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1311, by Representatives Chandler, Sells and Moscoso

Making coverage of certain maritime service elective for purposes of unemployment compensation.

The measure was read the second time.

MOTION

On motion of Senator Holmquist Newbry, the rules were suspended, House Bill No. 1311 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Holmquist Newbry and Conway spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1311.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1311 and the bill passed the Senate by the following vote: Yeas, 45; Nays, 3; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Cleveland, Hasegawa and Murray

Excused: Senator Carrell

HOUSE BILL NO. 1311, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1178, by Representatives Lytton, Maxwell, Santos, Seaquist, Reykdal, Sullivan, Fitzgibbon, Ryu, Pollet, Stanford, Tharinger and Jinkins

Authorizing alternative assessments of basic skills for teacher certification.

The measure was read the second time.

MOTION

Senator Litzow moved that the following committee striking amendment by the Committee on Early Learning & K-12 Education be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that the use of a basic skills test as an entrance requirement to teacher certification programs has unintentionally created a barrier to the effective recruitment of candidates from underrepresented populations who are otherwise qualified for the program. Therefore, the legislature intends to expand the pool of potential teacher candidates by expanding the types of testing instruments and assessments that may be used to measure basic skills. The legislature intends to review any alternative assessments to ensure that candidates must continue to meet the established standards for admission to a teacher certification program.

Sec. 2. RCW 28A.410.220 and 2008 c 176 s 2 are each amended to read as follows:

(1)(a) Beginning not later than September 1, 2001, the Washington professional educator standards board shall make available and pilot a means of assessing an applicant's knowledge in the basic skills. For the purposes of this section, "basic skills" means the subjects of at least reading, writing, and mathematics.

Beginning September 1, 2002, except as provided in (c) and (d) of this subsection and subsection (4) of this section, passing this assessment shall be required for admission to approved teacher preparation programs and for persons from out-of-state applying for a Washington state residency teaching certificate.

(b) On an individual student basis, approved teacher preparation programs may admit into their programs a candidate who has not achieved the minimum basic skills assessment score established by the Washington professional educator standards board. Individuals so admitted may not receive residency certification without passing the basic skills assessment under this section.

(c) The Washington professional educator standards board may establish criteria to ensure that persons from out-of-state who are applying for residency certification and persons applying to master's degree level teacher preparation programs can demonstrate to the board's satisfaction that they have the requisite basic skills based upon having completed another basic skills assessment acceptable to the Washington professional educator standards board or by some other alternative approved by the Washington professional educator standards board.

(d) The Washington professional educator standards board may identify and accept other tests and test scores as long as the tests are comparable in rigor to the basic skills assessment and candidates meet or exceed the basic skills requirements established by the board. The board must set the acceptable score for admission to teacher certification programs at no lower than the average national scores for the SAT or ACT.

(2) The Washington professional educator standards board shall set performance standards and develop, pilot, and implement a uniform and externally administered professional-level certification assessment based on demonstrated teaching skill. In the development of this assessment, consideration shall be given to changes in professional certification program components such as the culminating seminar.

(3) Beginning not later than September 1, 2002, the Washington professional educator standards board shall provide for the initial piloting and implementation of a means of assessing an applicant's knowledge in the subjects for which the applicant has applied for an endorsement to his or her residency or professional teaching certificate. The assessment of subject knowledge shall not include instructional methodology. Beginning September 1, 2005, passing this assessment shall be required to receive an endorsement for certification purposes.

(4) The Washington professional educator standards board may permit exceptions from the assessment requirements under subsections (1), (2), and (3) of this section on a case-by-case basis.

(5) The Washington professional educator standards board shall provide for reasonable accommodations for individuals who are required to take the assessments in subsection (1), (2), or (3) of this section if the individuals have learning or other disabilities.

(6) With the exception of applicants exempt from the requirements of subsections (1), (2), and (3) of this section, an applicant must achieve a minimum assessment score or scores established by the Washington professional educator standards board on each of the assessments under subsections (1), (2), and (3) of this section.

(7) The Washington professional educator standards board and superintendent of public instruction, as determined by the Washington professional educator standards board, may contract with one or more third parties for:

(a) The development, purchase, administration, scoring, and reporting of scores of the assessments established by the Washington professional educator standards board under subsections (1), (2), and (3) of this section;

(b) Related clerical and administrative activities; or

(c) Any combination of the purposes in this subsection.

(8) Applicants for admission to a Washington teacher preparation program and applicants for residency and professional certificates who are required to successfully complete one or more of the assessments under subsections (1), (2), and (3) of this section, and who are charged a fee for the assessment by a third party contracted with under subsection (7) of this section, shall pay the fee charged by the contractor directly to the contractor. Such fees shall be reasonably related to the actual costs of the contractor in providing the assessment.

(9) The superintendent of public instruction is responsible for supervision and providing support services to administer this section.

(10) The Washington professional educator standards board shall collaboratively select or develop and implement the assessments and minimum assessment scores required under this section with the superintendent of public instruction and shall provide opportunities for representatives of other interested educational organizations to participate in the selection or development and implementation of such assessments in a manner deemed appropriate by the Washington professional educator standards board.

(11) The Washington professional educator standards board shall adopt rules under chapter 34.05 RCW that are reasonably necessary for the effective and efficient implementation of this section."

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

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Early Learning & K-12 Education to House Bill No. 1178.

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

MOTION

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

On page 1, line 2 of the title, after "certification;" strike the remainder of the title and insert "amending RCW 28A.410.220; and creating a new section."

MOTION

On motion of Senator Litzow, the rules were suspended, House Bill No. 1178 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Litzow and McAuliffe spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1178 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1178 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry,

Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

HOUSE BILL NO. 1178 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1056, by Representatives Angel, Manweller and Sells

Authorizing certain corporate officers to receive unemployment benefits.

The measure was read the second time.

MOTION

On motion of Senator Holmquist Newbry, the rules were suspended, House Bill No. 1056 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Holmquist Newbry and Conway spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1056.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1056 and the bill passed the Senate by the following vote: Yeas, 36; Nays, 12; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Cleveland, Conway, Dammeier, Eide, Ericksen, Fain, Hargrove, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, King, Kohl-Welles, Litzow, McAuliffe, Mullet, Padden, Parlette, Pearson, Rivers, Roach, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Chase, Darneille, Fraser, Frockt, Harper, Hasegawa, Keiser, Kline, Murray, Nelson, Ranker and Rolfes

Excused: Senator Carrell

HOUSE BILL NO. 1056, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1547, by Representatives Walsh, Kagi, Freeman, Fey, Zeiger, Ryu, Morrell, Roberts, Moscoso and Santos

Concerning entities that provide recreational or educational programming for school-aged children.

The measure was read the second time.

MOTION

Senator Pearson moved that the following committee striking amendment by the Committee on Human Services & Corrections be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.215.010 and 2011 c 295 s 3 and 2011 c 78 s 1 are each reenacted and amended to read as follows:

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

(1) "Agency" means any person, firm, partnership, association, corporation, or facility that provides child care and early learning services outside a child's own home and includes the following irrespective of whether there is compensation to the agency:

(a) "Child day care center" means an agency that regularly provides child day care and early learning services for a group of children for periods of less than twenty-four hours;

(b) "Early learning" includes but is not limited to programs and services for child care; state, federal, private, and nonprofit preschool; child care subsidies; child care resource and referral; parental education and support; and training and professional development for early learning professionals;

(c) "Family day care provider" means a child day care provider who regularly provides child day care and early learning services for not more than twelve children in the provider's home in the family living quarters;

(d) "Nongovernmental private-public partnership" means an entity registered as a nonprofit corporation in Washington state with a primary focus on early learning, school readiness, and parental support, and an ability to raise a minimum of five million dollars in contributions;

(e) "Service provider" means the entity that operates a community facility.

(2) "Agency" does not include the following:

(a) Persons related to the child in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law; or

(iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection (((~~(2)~~)(~~a~~))), even after the marriage is terminated;

(b) Persons who are legal guardians of the child;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the person providing care for periods of less than twenty-four hours does not conduct such activity on an ongoing, regularly scheduled basis for the purpose of engaging in business, which includes, but is not limited to, advertising such care;

(d) Parents on a mutually cooperative basis exchange care of one another's children;

(e) Nursery schools or kindergartens that are engaged primarily in educational work with preschool children and in which no child is enrolled on a regular basis for more than four hours per day;

(f) Schools, including boarding schools, that are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children, and do not accept custody of children;

(g) Seasonal camps of three months' or less duration engaged primarily in recreational or educational activities;

(h) Facilities providing child care for periods of less than twenty-four hours when a parent or legal guardian of the child

remains on the premises of the facility for the purpose of participating in:

(i) Activities other than employment; or

(ii) Employment of up to two hours per day when the facility is operated by a nonprofit entity that also operates a licensed child care program at the same facility in another location or at another facility;

(i) ((~~Any agency having been in operation in this state ten years before June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;~~)) Any entity that provides recreational or educational programming for school-aged children only and the entity meets all of the following requirements:

(i) The entity utilizes a drop-in model for programming, where children are able to attend during any or all program hours without a formal reservation;

(ii) The entity does not assume responsibility in lieu of the parent, unless for coordinated transportation;

(iii) The entity is a local affiliate of a national nonprofit; and

(iv) The entity is in compliance with all safety and quality standards set by the associated national agency;

(j) An agency operated by any unit of local, state, or federal government or an agency, located within the boundaries of a federally recognized Indian reservation, licensed by the Indian tribe;

(k) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;

(l) An agency that offers early learning and support services, such as parent education, and does not provide child care services on a regular basis.

(3) "Applicant" means a person who requests or seeks employment in an agency.

(4) "Conviction information" means criminal history record information relating to an incident which has led to a conviction or other disposition adverse to the applicant.

(5) "Department" means the department of early learning.

(6) "Director" means the director of the department.

(7) "Employer" means a person or business that engages the services of one or more people, especially for wages or salary to work in an agency.

(8) "Enforcement action" means denial, suspension, revocation, modification, or nonrenewal of a license pursuant to RCW 43.215.300(1) or assessment of civil monetary penalties pursuant to RCW 43.215.300(3).

(9) "Negative action" means a court order, court judgment, or an adverse action taken by an agency, in any state, federal, tribal, or foreign jurisdiction, which results in a finding against the applicant reasonably related to the individual's character, suitability, and competence to care for or have unsupervised access to children in child care. This may include, but is not limited to:

(a) A decision issued by an administrative law judge;

(b) A final determination, decision, or finding made by an agency following an investigation;

(c) An adverse agency action, including termination, revocation, or denial of a license or certification, or if pending adverse agency action, the voluntary surrender of a license, certification, or contract in lieu of the adverse action;

(d) A revocation, denial, or restriction placed on any professional license; or

(e) A final decision of a disciplinary board.

(10) "Nonconviction information" means arrest, founded allegations of child abuse, or neglect pursuant to chapter 26.44 RCW, or other negative action adverse to the applicant.

(11) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(12) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Human Services & Corrections to House Bill No. 1547.

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

MOTION

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

On page 1, line 2 of the title, after "children;" strike the remainder of the title and insert "and reenacting and amending RCW 43.215.010."

MOTION

On motion of Senator Pearson, the rules were suspended, House Bill No. 1547 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Pearson and Darneille spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1547 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1547 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

HOUSE BILL NO. 1547 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1533, by Representatives Rodne and Jinkins

Clarifying notice of claims in health care actions.

The measure was read the second time.

MOTION

On motion of Senator Padden, the rules were suspended, House Bill No. 1533 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Padden spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1533.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1533 and the bill passed the Senate by the following vote: Yeas, 43; Nays, 5; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Becker, Benton, Ericksen, Holmquist Newbry and Honeyford

Excused: Senator Carrell

HOUSE BILL NO. 1533, 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 Fain, the Senate advanced to the eighth order of business.

MOTION

Senator Bailey moved adoption of the following resolution:

SENATE RESOLUTION
8654

By Senators Bailey, Ranker, Pearson, King, Cleveland, Becker, Conway, Rivers, Litzow, Mullet, Hasegawa, Honeyford, Fain, Padden, Shin, Hobbs, Tom, Holmquist Newbry, Schoesler, Darneille, Frockt, Fraser, Hill, Hewitt, Kohl-Welles, Smith, Chase, Ericksen, Nelson, Sheldon, Parlette, Schlicher, Roach, Keiser, Hatfield, and Billig

WHEREAS, Every April, stunning tulips welcome the beginning of another beautiful spring in Skagit; and

WHEREAS, The beautiful Skagit Valley is the Northwest's tulip capital and the premier producer of tulip bulbs in North America; and

WHEREAS, The Skagit Valley Tulip Festival kicks off the festival season in Washington; and

WHEREAS, Nearly half a million people visited the Skagit Valley Tulip Festival last year, participating in the great pleasure of the event and significantly contributing to the economy of the Skagit Valley; and

WHEREAS, This year's 30th annual festival will run from April 1st through 30th, focusing on the communities of Sedro-Woolley, Burlington, Anacortes, La Conner, Mount Vernon, Concrete, and Conway; and

WHEREAS, Visitors will be welcomed by the millions of tulips reflecting all the beauty of the region and its wonderful people; and

WHEREAS, This year's Tulip Festival Ambassadors, Carlos Roques and Jennifer Ramierez, will capably perform their duties as representatives of the festival; and

WHEREAS, Highlights of the event include the Mount Vernon Street Fair, PACCAR Open House, a Veteran's Memorial dedication, the Anacortes Spring Wine Festival, including many Skagit County Wineries and Breweries, RoozenGaarde, Tulip Town, the Kiwanis Salmon Barbecue, art shows, bike rides, foot races, and much, much, more;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate salute all the communities of the Skagit Valley, their Chambers of Commerce, the Skagit Valley Tulip Festival Ambassadors, and the Tulip Festival Committee; and

BE IT FURTHER RESOLVED, That the Senate commend the community leaders and corporate sponsors for the immense success of this event and encourage citizens from across Washington to take the time to enjoy this remarkable display; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Secretary of the Senate to the Skagit Valley Tulip Festival Executive Director Cindy Verge, who has most aptly served the citizens of Skagit since first joining the festival in 1999, and the Tulip Festival Ambassadors.

Senators Bailey, Ranker, Honeyford and Shin spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8654.

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

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced the 2013 Skagit Valley Tulip Ambassadors, Carlos Roques, 11 and Jennifer Ramirez, 10 who were seated at the rostrum.

MOTION

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

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1416, by House Committee on Finance (originally sponsored by Representatives Warnick, Manweller, Takko, Fagan and Schmick)

Regarding the financing of irrigation district improvements. Revised for 2nd Substitute: Concerning the financing of irrigation district improvements.

The measure was read the second time.

MOTION

Senator Roach moved that the following committee striking amendment by the Committee on Governmental Operations be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 87.03 RCW to read as follows:

Any local improvement district bonds, and interest thereon, issued against a bond redemption fund of a local improvement district pursuant to RCW 87.03.485 shall be a valid claim of the owner thereof only as against the local improvement guarantee fund, the local improvement district redemption fund, and the assessments or revenues pledged to such fund or funds and do not constitute a general indebtedness against the issuing irrigation district unless the board of directors by resolution expressly provides for a pledge of general indebtedness. Except where the

board provides for a pledge of general indebtedness, each such bond must state upon its face that it is payable from the local improvement district redemption fund and the local improvement guarantee fund only.

Sec. 2. RCW 84.34.310 and 1999 c 153 s 71 are each amended to read as follows:

As used in RCW 84.34.300 through 84.34.380, unless a different meaning is required, the words defined in this section shall have the meanings indicated.

(1) "Farm and agricultural land" shall mean the same as defined in RCW 84.34.020(2).

(2) "Timber land" shall mean the same as defined in RCW 84.34.020(3).

(3) "Local government" shall mean any city, town, county, water-sewer district, public utility district, port district, ((~~irrigation district,~~)) flood control district, or any other municipal corporation, quasi-municipal corporation, or other political subdivision authorized to levy special benefit assessments for sanitary and/or storm sewerage systems, domestic water supply and/or distribution systems, or road construction or improvement purposes. "Local government" does not include an irrigation district with respect to any local improvement district created or local improvement assessment levied by that irrigation district.

(4) "Local improvement district" shall mean any local improvement district, utility local improvement district, local utility district, road improvement district, or any similar unit created by a local government for the purpose of levying special benefit assessments against property specially benefited by improvements relating to such districts.

(5) "Owner" shall mean the same as defined in RCW 84.34.020(5) or the applicable statutes relating to special benefit assessments.

(6) The term "average rate of inflation" shall mean the annual rate of inflation as determined by the department of revenue averaged over the period of time as provided in RCW 84.34.330 (1) and (2). Such determination shall be published not later than January 1 of each year for use in that assessment year.

(7) "Special benefit assessments" shall mean special assessments levied or capable of being levied in any local improvement district or otherwise levied or capable of being levied by a local government to pay for all or part of the costs of a local improvement and which may be levied only for the special benefits to be realized by property by reason of that local improvement.

Sec. 3. RCW 87.03.480 and 1959 c 75 s 9 are each amended to read as follows:

Any desired special construction, reconstruction, betterment or improvement or purchase or acquisition of improvements already constructed, for any authorized district service, including but not limited to the safeguarding of open canals or ditches for the protection of the public therefrom, which are for the special benefit of the lands tributary thereto and within an irrigation district may be constructed or acquired and provision made to meet the cost thereof as follows:

The holders of title or evidence of title to one-quarter of the acreage proposed to be assessed, may file with the district board their petition reciting the nature and general plan of the desired improvement and specifying the lands proposed to be specially assessed therefor. ((~~The petition shall be accompanied by a bond in the sum of one hundred dollars with surety to be approved by the board, conditioned that the petitioners will pay the cost of an investigation of the project and of the hearing thereon if it is not established. The board may at any time require a bond in an additional sum.~~)) A local improvement district may include adjoining, vicinal, or neighboring improvements even though the improvements and the properties benefited are not connected or continuous. Such improvements may be owned by the United States, the state of Washington, the irrigation district, or another local government. Upon approval of the board of an adjoining irrigation district, an irrigation district may form local improvement districts or utility local improvement districts that are composed entirely or in part of territory within that adjoining district. Upon the filing of the petition the board, with the assistance of a competent engineer, shall make an investigation of the feasibility, cost, and need of the proposed local improvement together with the ability of the lands to pay the cost, and if it appears feasible, they ((~~shall~~)) may elect to have plans and an estimate of the cost prepared. If a protest against the establishment of the proposed improvement signed by a majority of the holders of title in the proposed local district is presented at or before the hearing, or if the proposed improvement should be found not feasible, too expensive, or not in the best interest of the district, or the lands to be benefited insufficient security for the costs, they shall dismiss the petition ((~~at the expense of the petitioners~~)).

Sec. 4. RCW 87.03.485 and 1983 c 167 s 222 are each amended to read as follows:

In the event that the ((~~said~~)) board ((~~shall~~)) approves ((~~said~~)) the petition, the board shall fix a time and place for the hearing thereof and shall publish a notice once a week for two consecutive weeks preceding the date of such hearing and the last publication shall not be more than seven days before such date and shall mail such a notice on or before the second publication date by first-class mail, postage prepaid, to each owner or reputed owner of real property within the proposed local improvement district, as shown on the rolls of the county treasurer as of a date not more than twenty days immediately prior to the date such notice was mailed. Such notice must be published in a newspaper of general circulation in each county in which any portion of the land proposed to be included in such local improvement district lies. Such notice shall state that the lands within ((~~said~~)) the described boundaries are proposed to be organized as a local improvement district, stating generally the nature of the proposed improvement; that bonds for such local improvement district are proposed to be issued as the bonds of the irrigation district, or that a contract is proposed to be entered into between the district and the United States or the state of Washington, or both, that the lands within ((~~said~~)) the local improvement district are to be assessed for such improvement, that such bonds or contract will be ((~~a primary~~)) the obligation of such local improvement district ((~~and a general obligation of the irrigation district~~)) and stating a time and place of hearing thereon. At the time and place of hearing named in ((~~said~~)) the notice, all persons interested may appear before the board and show cause for or against the formation of the proposed improvement district and the issuance of bonds or the entering into of a contract as aforesaid. The board may designate a hearing officer to conduct the hearing, and the hearing officer shall report recommendations on the establishment of the local improvement district to the board for final action. Upon the hearing the board shall determine as to the establishment of the proposed local improvement district. Any landowner whose lands can be served or will be benefited by the proposed improvement, may make application to the board at the time of hearing to include such land and the board of directors in such cases shall, at its discretion, include such lands within such district. The board of directors may exclude any land specified in ((~~said~~)) the notice from ((~~said~~)) the district provided, that in the judgment of the board, the inclusion thereof will not be practicable.

As an alternative plan and subject to all of the provisions of this chapter, the board of directors may initiate the organization of a local improvement district as herein provided. To so organize a local improvement district the board shall adopt and record in its minutes a resolution specifying the lands proposed to be included in such local improvement district or by describing the exterior boundaries of such proposed district or by both. ((~~Said~~)) The

resolution shall state generally the plan, character and extent of the proposed improvements, that the land proposed to be included in such improvement district will be assessed for such improvements; and that local improvement district bonds of the irrigation district will be issued or a contract entered into as hereinabove in this section provided to meet the cost thereof and that such bonds or contract will be ((~~a primary~~)) the obligation of such local improvement district ((~~and a general obligation of the irrigation district~~)). ((~~Said~~)) The resolution shall fix a time and place of hearing thereon and shall state that unless a majority of the holders of title or of evidence of title to lands within the proposed local improvement district file their written protest at or before ((~~said~~)) the hearing, consent to the improvement will be implied.

A notice containing a copy of ((~~said~~)) the resolution must be published once a week for two consecutive weeks preceding the date of such hearing and the last publication shall not be more than seven days before such date, and shall be mailed on or before the second publication date by first-class mail, postage prepaid, to each owner or reputed owner of real property within the proposed local improvement district, as shown on the rolls of the county treasurer as of a date not more than twenty days immediately prior to the date such notice was mailed, and the hearing thereon shall not be held in less than twenty days from the adoption of such resolution. Such notice must be published in one newspaper, of general circulation, in each county in which any portion of the land proposed to be included in such local improvement district lies. ((~~Said~~)) The hearing shall be held and all subsequent proceedings conducted in accordance with the provisions of this act relating to the organization of local improvement districts initiated upon petition.

Sec. 5. RCW 87.03.490 and 2003 c 53 s 412 are each amended to read as follows:

(1) If decision shall be rendered in favor of the improvement, the board shall enter an order establishing the boundaries of the improvement district and shall adopt plans for the proposed improvement and determine the number of annual installments not exceeding fifty in which the cost of the improvement shall be paid. The cost of the improvement shall be provided for by the issuance of local improvement district bonds of the district from time to time, therefor, either directly for the payment of the labor and material or for the securing of funds for such purpose, or by the irrigation district entering into a contract with the United States or the state of Washington, or both, to repay the cost of the improvement. The bonds shall bear interest at a rate or rates determined by the board, payable semiannually, and shall state upon their face that they are issued as bonds of the irrigation district; that all lands within the local improvement district shall be ((~~primarily~~)) liable to assessment for the principal and interest of the local improvement district bonds ((~~and that the bonds are also a general obligation of the district~~)). The bonds may be in such denominations as the board of directors may in its discretion determine, except that bonds other than bond number one of any issue shall be in a denomination that is a multiple of one ((~~hundred~~)) thousand dollars((~~, and no bond shall be sold for less than par. Any contract entered into for the local improvement by the district with the United States or the state of Washington, or both although all the lands within the local improvement district shall be primarily liable to assessment for the principal and interest thereon, shall be a general obligation of the irrigation district~~)). Such bonds may be in any form, including bearer bonds or registered bonds as provided in RCW 39.46.030.

(2) No election shall be necessary to authorize the issuance of such local improvement bonds or the entering into of such a contract. ((~~Such bonds, when issued, shall be signed by the president and secretary of the irrigation district with the seal of the district affixed. The printed, engraved, or lithographed facsimile signatures of the president and secretary of the district's board of directors shall be sufficient signatures on the bonds or any coupons: PROVIDED, That such facsimile signatures on the bonds may be used only after the filing, by the officer whose facsimile signature is to be used, with the secretary of state of his or her manual signature certified by him or her under oath, whereupon that officer's facsimile signature has the same legal effect as his or her manual signature: PROVIDED, FURTHER, That either the president of the board of directors' or the secretary's signature on the bonds shall be manually subscribed: AND PROVIDED FURTHER, That whenever such facsimile reproduction of the signature of any officer is used in place of the manual signature of such officer, the district's board of directors shall specify in a written order or requisition to the printer, engraver, or lithographer the number of bonds or any coupons upon which such facsimile signature is to be printed, engraved, or lithographed and the manner of numbering the bonds or any coupons upon which such signature shall be placed. Within ninety days after the completion of the printing, engraving, or lithographing of such bonds or any coupons, the plate or plates used for the purpose of affixing the facsimile signature shall be destroyed, and it shall be the duty of the district's board of directors, within ninety days after receipt of the completed bonds or any coupons, to ascertain that such plate or plates have been destroyed. Every printer, engraver, or lithographer who, with the intent to defraud, prints, engraves, or lithographs a facsimile signature upon any bond or coupon without written order of the district's board of directors, or fails to destroy such plate or plates containing the facsimile signature upon direction of such issuing authority, is guilty of a class B felony punishable according to chapter 9A.20 RCW.~~))

(3) The proceeds from the sale of such bonds shall be deposited with the treasurer of the district, who shall place them in a special fund designated "Construction fund of local improvement district number . . . . . ."

(4) Whenever such improvement district has been organized, the ((~~boundaries thereof may be enlarged~~)) board may enlarge the boundaries of the improvement district to include other lands which can be served or will be benefited by the proposed improvement upon petition of the owners thereof and the consent of the United States or the state of Washington, or both, in the event the irrigation district has contracted with the United States or the state of Washington, or both, to repay the cost of the improvement: PROVIDED, That at such time the lands so included shall pay their equitable proportion upon the basis of benefits of the improvement theretofore made by the local improvement district and shall be liable for the indebtedness of the local improvement district in the same proportion and same manner and subject to assessment as if the lands had been incorporated in the improvement district at the beginning of its organization.

(5) Notwithstanding this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW.

Sec. 6. RCW 87.03.495 and 1988 c 127 s 45 are each amended to read as follows:

(1)(a) The cost of the improvement and of the operation and maintenance thereof, if any, shall be especially assessed against the lands within such local improvement district in proportion to the benefits accruing thereto, and shall be levied and collected in the manner provided by law for the levy and collection of land assessments or toll assessments or both such form of assessments.

(b) The costs of the improvement must include, but not be limited to:

(i) The cost of all of the construction or improvement authorized for the district;

(ii) The estimated cost and expense of all engineering and surveying necessary for the improvement done under the supervision of the irrigation district engineer;

(iii) The estimated cost and expense of ascertaining the ownership of the lots or parcels of land included in the assessment

district;

(iv) The estimated cost and expense of advertising, mailing, and publishing all necessary notices;

(v) The estimated cost and expense of accounting and clerical labor, and of books and blanks extended or used on the part of the irrigation district treasurer in connection with the improvement;

(vi) All cost of the acquisition of rights-of-way, property, easements, or other facilities or rights, including without limitation rights to use property, facilities, or other improvements appurtenant, related to, or useful in connection with the local improvement, whether by eminent domain, purchase, gift, payment of connection charges, capacity charges, or other similar charges or in any other manner; and

(vii) The cost for legal, financial, and appraisal services and any other expenses incurred by the irrigation district for the district or in the formation thereof, or by irrigation district in connection with such construction or improvement and in the financing thereof, including the issuance of any bonds and the cost of providing for increases in the local improvement guaranty fund, or providing for a separate reserve fund or other security for the payment of principal of and interest on such bonds.

(c) Any of the costs set forth in this section may be excluded from the cost and expense to be assessed against the property in the local improvement district and may be paid from any other moneys available therefor if the board of directors so designates by resolution at any time.

(d) The board may give credit for all or any portion of any property or other donation against an assessment, charge, or other required financial contribution for improvements within a local improvement district.

(2) All provisions for the assessment, equalization, levy, and collection of assessments for irrigation district purposes shall be applicable to assessments for local improvements except that no election shall be required to authorize ((~~said~~)) the improvement or the expenditures therefor or the bonds issued to meet the cost thereof or the contract authorized in RCW 87.03.485 to repay the cost thereof. In addition or as an alternative, an irrigation district may elect to apply all or a portion of the provisions for the assessment, equalization, levy, and collection of assessments applicable to city or town local improvement districts; however any duties of the city or town treasurer shall be the duties of the treasurer of the county in which the office of the district is located or other treasurer of the district if appointed pursuant to RCW 87.03.440. In connection with a hearing on the assessment roll, the board may designate a hearing officer to conduct the hearing, and the hearing officer must report recommendations on the assessment roll to the board for final action. Assessments when collected by the county treasurer for the payment for the improvement of any local improvement district shall constitute a special fund to be called "bond redemption or contract repayment fund of local improvement district No. . . . . ."

(3) Bonds issued under this chapter shall be eligible for disposal to and purchase by the director of ecology under the provisions of the state reclamation act.

(4) The cost or any unpaid portion thereof, of any such improvement, charged or to be charged or assessed against any tract of land may be paid in one payment under and pursuant to such rules as the board of directors may adopt, and all such amounts shall be paid over to the county treasurer who shall place the same in the appropriate fund. No such payment shall thereby release such tract from liability to assessment for deficiencies or delinquencies of the levies in such improvement district until all of the bonds or the contract, both principal and interest, issued or entered into for such local improvement district have been paid in full. The receipt given for any such payment shall have the foregoing provision printed thereon. The amount so paid shall be included on the annual assessment roll for the current year, provided, such roll has not then been delivered to the treasurer, with an appropriate notation by the secretary that the amount has been paid. If the roll for that year has been delivered to the treasurer then the payment so made shall be added to the next annual assessment roll with appropriate notation that the amount has been paid.

Sec. 7. RCW 87.03.510 and 1983 c 167 s 224 are each amended to read as follows:

There is hereby established for each irrigation district in this state having local improvement districts therein a fund for the purpose of guaranteeing to the extent of such fund and in the manner herein provided, the payment of its local improvement bonds and warrants issued or contract entered into to pay for the improvements provided for in this act. Such fund shall be designated "local improvement guarantee fund" and for the purpose of maintaining the same, every irrigation district shall hereafter levy from time to time, as other assessments authorized by RCW 87.03.240 are levied, such sums as may be necessary to meet the financial requirements thereof: PROVIDED, That such sums so assessed pursuant to RCW 87.03.240 in any year shall not be more than sufficient to pay the outstanding warrants or contract indebtedness on ((~~said~~)) the fund and to establish therein a balance which shall not exceed ((~~five~~)) ten percent of the outstanding obligations thereby guaranteed. The balance may also be established from the deposit of prepaid local improvement assessments or proceeds of local improvement district bonds. Whenever any bond redemption payment, interest payment, or contract payment of any local improvement district shall become due and there is insufficient funds in the local improvement district fund for the payment thereof, there shall be paid from ((~~said~~)) the local improvement district guarantee fund, by warrant or by such other means as is called for in the contract, a sufficient amount, which together with the balance in the local improvement district fund shall be sufficient to redeem and pay ((~~said~~)) the bond or coupon or contract payment in full. ((~~Said~~)) The warrants against ((~~said~~)) the guarantee fund shall draw interest at a rate determined by the board and ((~~said~~)) the bonds and interest payments shall be paid in their order of presentation or serial order. Whenever there shall be paid out of the guarantee fund any sum on account of principal or interest of a local improvement bond or warrant or contract the irrigation district, as trustee for the fund, shall be subrogated to all of the rights of the owner of the bond or contract amount so paid, and the proceeds thereof, or of the assessment underlying the same shall become part of the guarantee fund. There shall also be paid into such guarantee fund any interest received from bank deposits of the fund, as well as any surplus remaining in any local improvement district fund, after the payment of all of its outstanding bonds or warrants or contract indebtedness which are payable primarily out of such local improvement district fund.

Sec. 8. RCW 87.03.515 and 1983 c 167 s 225 are each amended to read as follows:

It shall be lawful for any irrigation district which has issued local improvement district bonds for ((~~said~~)) the improvements, as in this chapter provided, to issue in place thereof an amount of ((~~general~~)) local improvement district or revenue refunding bonds of the irrigation district ((~~not in excess of such issue of local improvement district bonds, and to sell the same, or any part thereof, or exchange the same, or any part thereof, with the owners of such previously issued local improvement district bonds for the purpose of redeeming said bonds~~)) in accordance with chapter 39.53 RCW: PROVIDED, HOWEVER, ((~~That all the provisions of this chapter regarding the authorization and issuing of bonds shall apply, and: PROVIDING, FURTHER,~~)) That the issuance of ((~~said~~)) the bonds shall not release the lands of the local improvement district or districts from liability for special assessments for the payment thereof: AND PROVIDED FURTHER, That the lien of any issue of bonds of the district prior in point of time to the issue of bonds or

local improvement district bonds herein provided for((,)) shall be deemed a prior lien.

Sec. 9. RCW 87.03.527 and 1959 c 104 s 7 are each amended to read as follows:

Whenever ((~~a local improvement district is sought to be established within an irrigation~~)) the board establishes a local improvement district, in addition or as an alternative to the procedures provided in RCW 87.03.480 through 87.03.525, there may be employed any method authorized by law for the formation of ((~~districts or~~)) improvement districts ((~~so that when formed it will qualify under the provisions of chapter 89.16 RCW~~)) and the levying, collection, and enforcement by foreclosure of assessments therein, including without limitation the formation method employed by cities or towns.

Sec. 10. RCW 87.06.020 and 1988 c 134 s 2 are each amended to read as follows:

(1) After thirty-six calendar months from the month of the date of delinquency, or twenty-four months from the month of the date of delinquency with respect to any local improvement district assessment, the treasurer shall prepare certificates of delinquency on the property for the unpaid irrigation district assessments, and for costs and interest. An individual certificate of delinquency may be prepared for each property or the individual certificates may be compiled and issued in one general certificate including all delinquent properties. Each certificate shall contain the following information:

(a) Description of the property assessed;

(b) Street address of property, if available;

(c) Years for which assessed;

(d) Amount of delinquent assessments, costs, and interest;

(e) Name appearing on the treasurer's most current assessment roll for the property; and

(f) A statement that interest will be charged on the amount listed in (d) of this subsection at a rate of twelve percent per year, computed monthly and without compounding, from the date of the issuance of the certificate and that additional costs, incurred as a result of the delinquency, will be imposed, including the costs of a title search((~~;~~)).

(2) The treasurer may provide for the posting of the certificates or other measures designed to advertise the certificates and encourage the payment of the amounts due.

Sec. 11. RCW 87.28.103 and 1979 ex.s. c 185 s 14 are each amended to read as follows:

When the directors of the district have decided to issue revenue bonds as herein provided, they shall call a special election in the irrigation district at which election shall be submitted to the electors thereof possessing the qualifications prescribed by law the question whether revenue bonds of the district in the amount and payable according to the plan of payment adopted by the board and for the purposes therein stated shall be issued. ((~~Said~~)) The election shall be called, noticed, conducted, and canvassed in the same manner as provided by law for irrigation district elections to authorize an original issue of bonds payable from revenues derived from annual assessments upon the real property in the district: PROVIDED, That the board of directors shall have full authority to issue revenue bonds as herein provided payable within a maximum period of forty years without a special election((~~: AND PROVIDED, FURTHER, That any irrigation district indebted to the state of Washington shall get the written consent of the director of the department of ecology prior to the issuance of said revenue bonds~~)).

Sec. 12. RCW 87.28.200 and 1979 ex.s. c 185 s 19 are each amended to read as follows:

Any irrigation district shall have the power to establish utility local improvement districts within its territory and to levy special assessments within such utility local improvement districts in the same manner as provided for irrigation district local improvement districts: PROVIDED, That it must be specified in any petition for the establishment of a utility local improvement district that the sole purpose of the assessments levied against the real property located within the utility local improvement district shall be the payment of the proceeds of those assessments into ((~~the~~)) a revenue bond fund for the payment of revenue bonds, that no warrants or bonds shall be issued in any such utility local improvement district, and that the collection of interest and principal on all assessments in such utility local improvement district, when collected, shall be paid into ((~~the~~)) that revenue bond fund, except that special assessments paid before the issuance and sale of bonds may be deposited in a fund for the payment of costs of improvements in the utility local improvement district.

Sec. 13. RCW 89.12.050 and 2009 c 145 s 3 are each amended to read as follows:

(1) A district may enter into repayment and other contracts with the United States under the terms of the federal reclamation laws in matters relating to federal reclamation projects, and may with respect to lands within its boundaries include in the contract, among others, an agreement that:

(a) The district will not deliver water by means of the project works provided by the United States to or for excess lands not eligible therefor under applicable federal law.

(b) As a condition to receiving water by means of the project works, each excess landowner in the district, unless his excess lands are otherwise eligible to receive water under applicable federal law, shall be required to execute a recordable contract covering all of his excess lands within the district.

(c) All excess lands within the district not eligible to receive water by means of the project works shall be subject to assessment in the same manner and to the same extent as lands eligible to receive water, subject to such provisions as the secretary may prescribe for postponement in payment of all or part of the assessment but not beyond a date five years from the time water would have become available for such lands had they been eligible therefor.

(d) The secretary is authorized to amend any existing contract, deed, or other document to conform to the provisions of applicable federal law as it now exists. Any such amendment may be filed for record under RCW 89.12.080.

(2) A district may enter into a contract with the United States for the transfer of operations and maintenance of the works of a federal reclamation project, but the contract does not impute to the district negligence for design or construction defects or deficiencies of the transferred works. Any contract, covenant, promise, agreement, or understanding purporting to indemnify against liability for damages caused by or resulting from the negligent acts or omissions of the United States, its employees, or agents is not enforceable unless expressly authorized by state law.

NEW SECTION. **Sec. 14.** 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."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Governmental Operations to Second Substitute House Bill No. 1416.

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

MOTION

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

On page 1, line 2 of the title, after "improvements;" strike the remainder of the title and insert "amending RCW 84.34.310, 87.03.480, 87.03.485, 87.03.490, 87.03.495, 87.03.510, 87.03.515, 87.03.527, 87.06.020, 87.28.103, 87.28.200, and 89.12.050; and adding a new section to chapter 87.03 RCW."

MOTION

On motion of Senator Roach, the rules were suspended, Second Substitute House Bill No. 1416 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Roach and Hasegawa 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. 1416 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1416 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

SECOND SUBSTITUTE HOUSE BILL NO. 1416 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1886, by House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Chandler and Haigh)

Concerning the recoverable costs of the department of agriculture under chapter 16.36 RCW.

The measure was read the second time.

MOTION

On motion of Senator Hatfield, the rules were suspended, Substitute House Bill No. 1886 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hatfield spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1886.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1886 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 1; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Absent: Senator Hargrove

Excused: Senator Carrell

SUBSTITUTE HOUSE BILL NO. 1886, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1860, by Representatives Alexander, Haigh, Ryu and Fey

Continuing the use of the legislature's sunset review process.

The measure was read the second time.

MOTION

On motion of Senator Roach, the rules were suspended, House Bill No. 1860 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

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

The President declared the question before the Senate to be the final passage of House Bill No. 1860.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1860 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

HOUSE BILL NO. 1860, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1035, by Representatives Kirby, Ryu and Nealey

Addressing title insurance rate filings.

The measure was read the second time.

MOTION

On motion of Senator Hobbs, the rules were suspended, House Bill No. 1035 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1035.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1035 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

HOUSE BILL NO. 1035, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1806, by House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Hansen, Magendanz, Appleton, Morrell, Bergquist and Fey)

Addressing the definition of veteran for purposes of veterans' assistance programs.

The measure was read the second time.

MOTION

On motion of Senator Roach, the rules were suspended, Substitute House Bill No. 1806 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

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

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1806.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1806 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Excused: Senator Carrell

SUBSTITUTE HOUSE BILL NO. 1806, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1639, by Representatives Bergquist, Pike, Riccelli, Carlyle, Walsh, Ryu and Moscoso

Adjusting presidential elector compensation.

The measure was read the second time.

MOTION

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

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 29A.56.350 and 2003 c 111 s 1428 are each amended to read as follows:

Every presidential elector who attends at the time and place appointed, and gives his or her vote for president and vice president, is entitled to receive from this state, ((~~five~~)) twenty-five dollars for each day's attendance at the meeting of the college of electors, and ((~~ten~~)) fifty cents per mile for travel by the usually traveled route in going to and returning from the place where the electors meet."

On page 1, line 1 of the title, after "compensation;" strike the remainder of the title and insert "and amending RCW 29A.56.350."

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

Senators Roach and Hasegawa spoke against adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of the striking amendment by Senator Padden to House Bill No. 1639.

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

MOTION

On motion of Senator Roach, the rules were suspended, House Bill No. 1639 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

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

The President declared the question before the Senate to be the final passage of House Bill No. 1639.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1639 and the bill passed the Senate by the following vote: Yeas, 38; Nays, 10; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Becker, Benton, Billig, Braun, Chase, Cleveland, Conway, Darneille, Eide, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow,

McAuliffe, Mullet, Murray, Nelson, Pearson, Ranker, Rivers, Roach, Schlicher, Schoesler, Sheldon, Shin and Tom

Voting nay: Senators Baumgartner, Brown, Dammeier, Ericksen, Hargrove, Hewitt, Padden, Parlette, Rolfes and Smith

Excused: Senator Carrell

HOUSE BILL NO. 1639, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1518, by House Committee on Appropriations Subcommittee on Health & Human Services (originally sponsored by Representatives Cody, Schmick, Ryu and Pollet)

Providing certain disciplining authorities with additional authority over budget development, spending, and staffing.

The measure was read the second time.

MOTION

On motion of Senator Becker, the rules were suspended, Second Substitute House Bill No. 1518 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Becker and Keiser 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. 1518.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1518 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 2; Absent, 0; Excused, 1.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin, Smith and Tom

Voting nay: Senators Ericksen and Holmquist Newbry

Excused: Senator Carrell

SECOND SUBSTITUTE HOUSE BILL NO. 1518, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1001, by House Committee on Government Accountability & Oversight (originally sponsored by Representatives Moeller, Pedersen, Hunt, Clibborn, Green, Van De Wege, Fitzgibbon, Lytton, Appleton, Maxwell, Tharinger, Ormsby, Riccelli, Pollet and Jinkins)

Creating a beer and wine theater license. Revised for 1st Substitute: Concerning beer and wine theater licenses.

The measure was read the second time.

MOTION

Senator Billig moved that the following amendment by Senator Billig and others be adopted:

On page 2, line 5, after "shown" insert ", and includes only theaters with up to four screens"

Senator Billig spoke in favor of adoption of the amendment.

The President declared the question before the Senate to be the adoption of the amendment by Senator Billig and others on page 2, line 5 to Substitute House Bill No. 1001.

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

MOTION

On motion of Senator Billig, the rules were suspended, Substitute House Bill No. 1001 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 Billig spoke in favor of passage of the bill.

POINT OF ORDER

Senator Padden: "Do we have Substitute House Bill No. 1001 before us now or do we have Substitute House Bill No. 1001 as amended by the Senate before us?"

REPLY BY THE PRESIDENT

President Owen: "We have Substitute House Bill No. 1001 as amended by the Senate before us."

Senators Darneille, Hargrove, Becker and Ericksen spoke against passage of the bill.

Senators Cleveland, Baumgartner and Kohl-Welles spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1001 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1001 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 27; Nays, 21; Absent, 0; Excused, 1.

Voting yea: Senators Baumgartner, Billig, Braun, Chase, Cleveland, Conway, Eide, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Keiser, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Ranker, Rivers and Tom

Voting nay: Senators Bailey, Becker, Benton, Brown, Dammeier, Darneille, Ericksen, Hargrove, Holmquist Newbry, Honeyford, King, Padden, Parlette, Pearson, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Shin and Smith

Excused: Senator Carrell

SUBSTITUTE HOUSE BILL NO. 1001 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

At 12:07 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

AFTERNOON SESSION

The Senate was called to order at 2:07 p.m. by President Owen.

MOTION

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

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Hasegawa moved that Susan Palmer, Gubernatorial Appointment No. 9056, be confirmed as a member of the Board of Trustees, Renton Technical College District No. 27.

Senator Hasegawa spoke in favor of the motion.

MOTION

On motion of Senator Mullet, Senators Hargrove, McAuliffe and Shin were excused.

APPOINTMENT OF SUSAN PALMER

The President declared the question before the Senate to be the confirmation of Susan Palmer, Gubernatorial Appointment No. 9056, as a member of the Board of Trustees, Renton Technical College District No. 27.

The Secretary called the roll on the confirmation of Susan Palmer, Gubernatorial Appointment No. 9056, as a member of the Board of Trustees, Renton Technical College District No. 27 and the appointment was confirmed by the following vote: Yeas, 42; Nays, 1; Absent, 3; Excused, 3.

Voting yea: Senators Bailey, Becker, Benton, Billig, Braun, Brown, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Voting nay: Senator Baumgartner

Absent: Senators Chase, Harper and Kline

Excused: Senators Carrell, Hargrove and Shin

Susan Palmer, Gubernatorial Appointment No. 9056, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Renton Technical College District No. 27.

MOTION

On motion of Senator Frockt, Senator Harper was excused.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Conway moved that Theresa Pan Hosley, Gubernatorial Appointment No. 9057, be confirmed as a member of the Board of Trustees, Bates Technical College District No. 28.

Senator Conway spoke in favor of the motion.

APPOINTMENT OF THERESA PAN HOSLEY

The President declared the question before the Senate to be the confirmation of Theresa Pan Hosley, Gubernatorial Appointment No. 9057, as a member of the Board of Trustees, Bates Technical College District No. 28.

The Secretary called the roll on the confirmation of Theresa Pan Hosley, Gubernatorial Appointment No. 9057, as a member of the Board of Trustees, Bates Technical College District No. 28 and the appointment was confirmed by the following vote: Yeas, 45; Nays, 0; Absent, 1; Excused, 3.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Absent: Senator Kline

Excused: Senators Carrell, Hargrove and Shin

Theresa Pan Hosley, Gubernatorial Appointment No. 9057, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Bates Technical College District No. 28.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Conway moved that Faaluaina Pritchard, Gubernatorial Appointment No. 9062, be confirmed as a member of the Board of Trustees, Clover Park Technical College District No. 29.

Senator Conway spoke in favor of the motion.

APPOINTMENT OF FAALUAINA PRITCHARD

The President declared the question before the Senate to be the confirmation of Faaluaina Pritchard, Gubernatorial Appointment No. 9062, as a member of the Board of Trustees, Clover Park Technical College District No. 29.

The Secretary called the roll on the confirmation of Faaluaina Pritchard, Gubernatorial Appointment No. 9062, as a member of the Board of Trustees, Clover Park Technical College District No. 29 and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Excused: Senators Carrell, Hargrove and Shin

Faaluaina Pritchard, Gubernatorial Appointment No. 9062, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Clover Park Technical College District No. 29.

MOTION

On motion of Senator Hatfield, Senator Harper was excused.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Tom moved that Vicki Orrico, Gubernatorial Appointment No. 9054, be confirmed as a member of the Board of Trustees, Bellevue College District No. 8.

Senators Tom and Mullet spoke in favor of passage of the motion.

APPOINTMENT OF VICKI ORRICO

The President declared the question before the Senate to be the confirmation of Vicki Orrico, Gubernatorial Appointment No. 9054, as a member of the Board of Trustees, Bellevue College District No. 8.

The Secretary called the roll on the confirmation of Vicki Orrico, Gubernatorial Appointment No. 9054, as a member of the Board of Trustees, Bellevue College District No. 8 and the appointment was confirmed by the following vote: Yeas, 45; Nays, 0; Absent, 0; Excused, 4.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Excused: Senators Carrell, Hargrove, Harper and Shin

Vicki Orrico, Gubernatorial Appointment No. 9054, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Bellevue College District No. 8.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Kohl-Welles moved that Courtney Gregoire, Gubernatorial Appointment No. 9019, be confirmed as a member of the Board of Trustees, Seattle, South Seattle, and North Seattle Community Colleges District No. 6.

Senator Kohl-Welles spoke in favor of the motion.

APPOINTMENT OF COURTNEY GREGOIRE

The President declared the question before the Senate to be the confirmation of Courtney Gregoire, Gubernatorial Appointment No. 9019, as a member of the Board of Trustees, Seattle, South Seattle, and North Seattle Community Colleges District No. 6.

The Secretary called the roll on the confirmation of Courtney Gregoire, Gubernatorial Appointment No. 9019, as a member of the Board of Trustees, Seattle, South Seattle, and North Seattle Community Colleges District No. 6 and the appointment was confirmed by the following vote: Yeas, 45; Nays, 1; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Sheldon, Smith and Tom

Voting nay: Senator Schoesler

Excused: Senators Carrell, Hargrove and Shin

Courtney Gregoire, Gubernatorial Appointment No. 9019, having received the constitutional majority was declared confirmed as a member of the Board of Trustees, Seattle, South Seattle, and North Seattle Community Colleges District No. 6.

MOTION

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

SECOND READING

HOUSE BILL NO. 1471, by Representatives Riccelli, Schmick, Cody, Clibborn, Ross, Short, Rodne, Green, Angel and Morrell

Updating and aligning with federal requirements hospital health care-associated infection rate reporting.

The measure was read the second time.

MOTION

Senator Becker moved that the following committee striking amendment by the Committee on Health Care be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.70.056 and 2010 c 113 s 1 are each amended to read as follows:

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

(a) "Health care-associated infection" means a localized or systemic condition that results from adverse reaction to the presence of an infectious agent or its toxins and that was not present or incubating at the time of admission to the hospital.

(b) "Hospital" means a health care facility licensed under chapter 70.41 RCW.

(2)(a) A hospital shall collect data related to health care-associated infections as required under this subsection (2) on the following:

(i) ((~~Beginning July 1, 2008, central line-associated bloodstream infection in the intensive care unit;~~

~~(ii) Beginning January 1, 2009, ventilator-associated pneumonia; and~~

~~(iii) Beginning January 1, 2010,~~)) Central line-associated bloodstream infection in all hospital inpatient areas where patients normally reside at least twenty-four hours;

(ii) Surgical site infection for the following procedures:

(A) Deep sternal wound for cardiac surgery, including coronary artery bypass graft;

(B) Total hip and knee replacement surgery; and

(C) ((~~Hysterectomy, abdominal and vaginal.~~

~~(b)(i) Except as required under (b)(ii) and (c) of this subsection,~~)) Colon and abdominal hysterectomy procedures.

(b) The department shall, by rule, delete, add, or modify categories of reporting when the department determines that doing so is necessary to align state reporting with the reporting categories of the centers for medicare and medicaid services. The department shall begin rule making forty-five calendar days, or as soon as practicable, after the centers for medicare and medicaid services adopts changes to reporting requirements.

(c) A hospital must routinely collect and submit the data required to be collected under (a) and (b) of this subsection to the national healthcare safety network of the United States centers for disease control and prevention in accordance with national healthcare safety network definitions, methods, requirements, and procedures.

(((~~(ii) Until the national health care safety network releases a revised module that successfully interfaces with a majority of computer systems of Washington hospitals required to report data under (a)(iii) of this subsection or three years, whichever occurs sooner, a hospital shall monthly submit the data required to be collected under (a)(iii) of this subsection to the Washington state hospital association's quality benchmarking system instead of the national health care safety network. The department shall not include data reported to the quality benchmarking system in reports published under subsection (3)(d) of this section. The data the hospital submits to the quality benchmarking system under (b)(ii) of this subsection:~~

~~(A) Must include the number of infections and the total number of surgeries performed for each type of surgery; and~~

~~(B) Must be the basis for a report developed by the Washington state hospital association and published on its web site that compares the health care-associated infection rates for surgical site infections at individual hospitals in the state using the data reported in the previous calendar year pursuant to this subsection. The report must be published on December 1, 2010, and every year thereafter until data is again reported to the national health care safety network.~~

~~(c)(i) With respect to any of the health care-associated infection measures for which reporting is required under (a) of this subsection, the department must, by rule, require hospitals to collect and submit the data to the centers for medicare and medicaid services according to the definitions, methods, requirements, and procedures of the hospital compare program, or its successor, instead of to the national healthcare safety network, if the department determines that:~~

~~(A) The measure is available for reporting under the hospital compare program, or its successor, under substantially the same definition; and~~

~~(B) Reporting under this subsection (2)(c) will provide substantially the same information to the public.~~

~~(ii) If the department determines that reporting of a measure must be conducted under this subsection (2)(c), the department must adopt rules to implement such reporting. The department's rules must require reporting to the centers for medicare and medicaid services as soon as practicable, but not more than one hundred twenty days, after the centers for medicare and medicaid services allow hospitals to report the respective measure to the hospital compare program, or its successor. However, if the centers for medicare and medicaid services allow infection rates to be reported using the centers for disease control and prevention's national healthcare safety network, the department's rules must require reporting that reduces the burden of data reporting and minimizes changes that hospitals must make to accommodate requirements for reporting.~~)) If the centers for medicare and medicaid services changes reporting from the national healthcare safety network to another database or through another process, the department shall review the new reporting database or process and consider whether it aligns with the purposes of this section.

(d) Data collection and submission required under this subsection (2) must be overseen by a qualified individual with the appropriate level of skill and knowledge to oversee data collection and submission.

(e)(i) A hospital must release to the department, or grant the department access to, its hospital-specific information contained in the reports submitted under this subsection (2), as requested by the department consistent with RCW 70.02.050.

(ii) The hospital reports obtained by the department under this subsection (2), and any of the information contained in them, are not subject to discovery by subpoena or admissible as evidence in a civil proceeding, and are not subject to public disclosure as provided in RCW 42.56.360.

(3) The department shall:

(a) Provide oversight of the health care-associated infection reporting program established in this section;

(b) By January 1, ((~~2011~~)) 2014, and biennially thereafter, submit a report to the appropriate committees of the legislature ((~~based on the recommendations of the advisory committee established in subsection (5) of this section for additional reporting requirements related to health care-associated infections, considering the methodologies and practices of the United States centers for disease control and prevention, the centers for medicare and medicaid services, the joint commission, the national quality forum, the institute for healthcare improvement, and other relevant organizations~~)) that contains: (i) Categories of reporting currently required of hospitals under subsection (2)(a) of this section; (ii) categories of reporting the department plans to add, delete, or modify by rule; and (iii) a description of the evaluation process used under (f) of this subsection;

(c) ((~~Delete, by rule, the reporting of categories that the department determines are no longer necessary to protect public health and safety;~~

~~(d)~~)) By December 1, 2016, report to the appropriate committees of the legislature with an update on the categories of reporting required under subsection (2)(a) of this section, any plans for federal reporting requirements on the categories, and recommendations for an expiration of the reporting requirements;

(d) By rule, delete, add, or modify categories of reporting when the department determines that it is necessary to align state reporting with the reporting categories of the centers for medicare and medicaid services. The department shall begin rule making forty-five calendar days, or as soon as practicable, after the centers for medicare and medicaid services adopts changes to reporting requirements;

(e) By December 1, 2009, and by each December 1st thereafter, prepare and publish a report on the department's web site that compares the health care-associated infection rates at individual hospitals in the state using the data reported in the previous calendar year pursuant to subsection (2) of this section. The department may update the reports quarterly. In developing a methodology for the report and determining its contents, the department shall consider the recommendations of the advisory committee established in subsection (5) of this section. The report is subject to the following:

(i) The report must disclose data in a format that does not release health information about any individual patient; and

(ii) The report must not include data if the department determines that a data set is too small or possesses other characteristics that make it otherwise unrepresentative of a hospital's particular ability to achieve a specific outcome; ((~~and~~

~~(e)~~)) (f) Evaluate, on a regular basis, the quality and accuracy of health care-associated infection reporting required under subsection (2) of this section and the data collection, analysis, and reporting methodologies; and

(g) Provide assistance to hospitals with the reporting requirements of this chapter including definitions of required reporting elements.

(4) The department may respond to requests for data and other information from the data required to be reported under subsection (2) of this section, at the requestor's expense, for special studies and analysis consistent with requirements for confidentiality of patient records.

(5)(a) The department shall establish an advisory committee which may include members representing infection control professionals and epidemiologists, licensed health care providers, nursing staff, organizations that represent health care providers and facilities, health maintenance organizations, health care payers and consumers, and the department. The advisory committee shall make recommendations to assist the department in carrying out its responsibilities under this section, including making recommendations on allowing a hospital to review and verify data to be released in the report and on excluding from the report selected data from certified critical access hospitals. ((~~Annually, beginning January 1, 2011, the advisory committee shall also make a recommendation to the department as to whether current science supports expanding presurgical screening for methicillin-resistant staphylococcus aureus prior to open chest cardiac, total hip, and total knee elective surgeries.~~))

(b) In developing its recommendations, the advisory committee shall consider methodologies and practices related to health care-associated infections of the United States centers for disease control and prevention, the centers for medicare and medicaid services, the joint commission, the national quality forum, the institute for healthcare improvement, and other relevant organizations.

(6) The department shall adopt rules as necessary to carry out its responsibilities under this section."

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

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Health Care to House Bill No. 1471.

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

MOTION

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

On page 1, line 2 of the title, after "reporting;" strike the remainder of the title and insert "and amending RCW 43.70.056."

MOTION

On motion of Senator Becker, the rules were suspended, House Bill No. 1471 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Becker and Schlicher spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1471 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1471 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Excused: Senators Carrell, Hargrove and Shin

HOUSE BILL NO. 1471 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.

NOTICE OF RECONSIDERATION

Senator Fain, having voted on the prevailing side, gave notice of reconsideration of the vote by which House Bill No. 1471, as amended by the Senate, passed the senate.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1556, by House Committee on Education (originally sponsored by Representatives Van De Wege, Dahlquist, Morrell, Hayes, Cody, Pettigrew, Habib, McCoy, Ryu, Angel, Hunt, Goodman, Pollet, Fitzgibbon, Stonier, Dunshee and Fey)

Creating initiatives in high schools to save lives in the event of cardiac arrest.

The measure was read the second time.

MOTION

Senator Litzow moved that the following committee striking amendment by the Committee on Early Learning & K-12 Education be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that more than three hundred sixty thousand people in the United States experience cardiac arrest outside of a hospital every year, and only ten percent survive because the remainder do not receive timely cardiopulmonary resuscitation. When administered immediately, cardiopulmonary resuscitation doubles or triples survival rates from cardiac arrest. Sudden cardiac arrest can happen to anyone at any time. Many victims appear healthy and have no known heart disease or other risk factors. The legislature finds that schools are the hearts of our community, and preparing students to help with a sudden cardiac arrest emergency could save the life of a child, parent, or teacher. Washington state has a longstanding history of training members of the public in cardiopulmonary resuscitation with community-based training programs. The legislature finds that training students will continue the legacy of providing high quality emergency cardiac care to its citizens. Therefore, the legislature intends to create a generation of lifesavers by putting cardiopulmonary resuscitation skills in the hands of all high school graduates and providing schools with a flexible framework to prepare for an emergency.

NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.300 RCW to read as follows:

(1) An automated external defibrillator is often a critical component in the chain of survival for a cardiac arrest victim.

(2) The office of the superintendent of public instruction, in consultation with school districts and stakeholder groups, shall develop guidance for a medical emergency response and automated external defibrillator program for high schools.

(3) The medical emergency response and automated external defibrillator program must comply with current evidence-based guidance from the American heart association or other national science organization.

(4) The office of the superintendent of public instruction, in consultation with the department of health, shall assist districts in carrying out a program under this section, including providing guidelines and advice for seeking grants for the purchase of automated external defibrillators or seeking donations of automated external defibrillators. The superintendent may coordinate with local health districts or other organizations in seeking grants and donations for this purpose.

NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.230 RCW to read as follows:

(1) Each school district that operates a high school must offer instruction in cardiopulmonary resuscitation to students as provided in this section. Beginning with the 2013-14 school year, instruction in cardiopulmonary resuscitation must be included in at least one health class necessary for graduation.

(2) Instruction in cardiopulmonary resuscitation under this section must:

(a) Be an instructional program developed by the American heart association or the American red cross or be nationally recognized and based on the most current national evidence-based emergency cardiovascular care guidelines for cardiopulmonary resuscitation;

(b) Include appropriate use of an automated external defibrillator, which may be taught by video; and

(c) Incorporate hands-on practice in addition to cognitive learning.

(3) School districts may offer the instruction in cardiopulmonary resuscitation directly or arrange for the instruction to be provided by available community-based providers. The instruction is not required to be provided by a certificated teacher. Certificated teachers providing the instruction are not required to be certified trainers of cardiopulmonary resuscitation. A student is not required to earn certification in cardiopulmonary resuscitation to successfully complete the instruction for the purposes of this section."

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

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Early Learning & K-12 Education to Substitute House Bill No. 1556.

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

MOTION

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

On page 1, line 2 of the title, after "arrest;" strike the remainder of the title and insert "adding a new section to chapter 28A.300 RCW; adding a new section to chapter 28A.230 RCW; and creating a new section."

MOTION

On motion of Senator Litzow, the rules were suspended, Substitute House Bill No. 1556 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Litzow, McAuliffe and Schlicher spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1556 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1556 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 41; Nays, 5; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Darneille, Eide, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon and Tom

Voting nay: Senators Dammeier, Ericksen, Hewitt, Padden and Smith

Excused: Senators Carrell, Hargrove and Shin

SUBSTITUTE HOUSE BILL NO. 1556 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1034, by House Committee on Business & Financial Services (originally sponsored by Representatives Kirby and Ryu)

Regulating the licensing of escrow agents.

The measure was read the second time.

MOTION

On motion of Senator Hobbs, the rules were suspended, Substitute House Bill No. 1034 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1034.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1034 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow,

McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Excused: Senators Carrell, Hargrove and Shin

SUBSTITUTE HOUSE BILL NO. 1034, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1216, by House Committee on Health Care & Wellness (originally sponsored by Representatives Habib, Clibborn, Jinkins, McCoy, Springer, Morrell, Goodman, Appleton, Tarleton, Ryu, Tharinger and Fey)

Concerning insurance coverage of treatment of eosinophilia gastrointestinal associated disorders. Revised for 1st Substitute: Concerning sunrise review for a proposal to establish a mandated benefit of treatment of eosinophilia gastrointestinal associated disorders.

The measure was read the second time.

MOTION

Senator Becker moved that the following committee striking amendment by the Committee on Health Care be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The department of health shall, using the procedures and standards set forth in chapter 48.47 RCW, conduct a sunrise review of the proposal, as set forth in House Bill No. 1216 (2013), requiring health carriers to include formulas necessary for the treatment of eosinophilia gastrointestinal associated disorders, regardless of the delivery method of the formula. The department shall report the results of the review no later than thirty days prior to the 2014 legislative session.

NEW SECTION. **Sec. 2.** Each carrier shall continue to apply a timely appeals and grievance process as outlined in RCW 48.43.530 to ensure medically necessary treatment is available. Expedited appeals must be completed when a delay in the appeal process could jeopardize the enrollees' life, health, or ability to regain maximum function."

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Health Care to Substitute House Bill No. 1216.

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

MOTION

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

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

MOTION

On motion of Senator Becker, the rules were suspended, Substitute House Bill No. 1216 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Becker and Frockt spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1216 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1216 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Excused: Senators Carrell, Hargrove and Shin

SUBSTITUTE HOUSE BILL NO. 1216 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1633, by House Committee on Capital Budget (originally sponsored by Representatives Magendanz, Haigh, Dahlquist, Santos, Pollet, Smith, Wylie, Takko, Angel, Clibborn, Condotta and Scott)

Modifying school district bidding requirements for improvement and repair projects.

The measure was read the second time.

MOTION

Senator Litzow moved that the following committee striking amendment by the Committee on Early Learning & K-12 Education be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 28A.335.190 and 2008 c 215 s 6 are each amended to read as follows:

(1) When, in the opinion of the board of directors of any school district, the cost of any furniture, supplies, equipment, building, improvements, or repairs, or other work or purchases, except books, will equal or exceed the ((~~sum of fifty thousand dollars~~)) threshold levels specified in subsections (2) and (4) of this section, complete plans and specifications for such work or purchases shall be prepared and notice by publication given in at least one newspaper of general circulation within the district, once each week for two consecutive weeks, of the intention to receive bids and that specifications and other information may be examined at the office of the board or any other officially designated location((~~: PROVIDED, That the board without giving such notice may make improvements or repairs to the property of the district through the shop and repair department of such district when the total of such improvements or repair does not exceed the sum of forty thousand dollars~~)). The cost of any public work, improvement, or repair for the purposes of this section shall be the aggregate of all amounts to be paid for labor, material, and equipment on one continuous or interrelated project where work is to be performed simultaneously or in close sequence. The bids shall be in writing and shall be

opened and read in public on the date and in the place named in the notice and after being opened shall be filed for public inspection.

(2) Every purchase of furniture, equipment, or supplies, except books, the cost of which is estimated to be in excess of forty thousand dollars, shall be on a competitive basis. The board of directors shall establish a procedure for securing telephone and/or written quotations for such purchases. Whenever the estimated cost is from forty thousand dollars up to seventy-five thousand dollars, the procedure shall require quotations from at least three different sources to be obtained in writing or by telephone, and recorded for public perusal. Whenever the estimated cost is in excess of seventy-five thousand dollars, the public bidding process provided in subsection (1) of this section shall be followed.

(3) Any school district may purchase goods produced or provided in whole or in part from class II inmate work programs operated by the department of corrections pursuant to RCW 72.09.100, including but not limited to furniture, equipment, or supplies. School districts are encouraged to set as a target to contract, beginning after June 30, 2006, to purchase up to one percent of the total goods required by the school districts each year, goods produced or provided in whole or in part from class II inmate work programs operated by the department of corrections.

(4) ((~~Every building, improvement, repair or other public works project, the cost of which is estimated to be in excess of forty thousand dollars, shall be on a competitive bid process.~~)) The board may make improvements or repairs to the property of the district through a department within the district without following the public bidding process provided in subsection (1) of this section when the total of such improvements or repairs does not exceed the sum of seventy-five thousand dollars. Whenever the estimated cost of a building, improvement, repair, or other public works project is one hundred thousand dollars or more, the public bidding process provided in subsection (1) of this section shall be followed unless the contract is let using the small works roster process in RCW 39.04.155 or under any other procedure authorized for school districts. One or more school districts may authorize an educational service district to establish and operate a small works roster for the school district under the provisions of RCW 39.04.155.

(5) The contract for the work or purchase shall be awarded to the lowest responsible bidder as ((~~defined~~)) described in RCW ((~~43.19.1911~~)) 39.26.160(2) but the board may by resolution reject any and all bids and make further calls for bids in the same manner as the original call. On any work or purchase the board shall provide bidding information to any qualified bidder or the bidder's agent, requesting it in person.

(6) In the event of any emergency when the public interest or property of the district would suffer material injury or damage by delay, upon resolution of the board declaring the existence of such an emergency and reciting the facts constituting the same, the board may waive the requirements of this section with reference to any purchase or contract: PROVIDED, That an "emergency," for the purposes of this section, means a condition likely to result in immediate physical injury to persons or to property of the school district in the absence of prompt remedial action.

(7) This section does not apply to the direct purchase of school buses by school districts and educational services in accordance with RCW 28A.160.195.

(8) This section does not apply to the purchase of Washington grown food.

(9) At the discretion of the board, a school district may develop and implement policies and procedures to facilitate and maximize to the extent practicable, purchases of Washington grown food including, but not limited to, policies that permit a percentage price preference for the purpose of procuring Washington grown food.

(10) As used in this section, "Washington grown" has the definition in RCW 15.64.060.

(11) As used in this section, "price percentage preference" means the percent by which a responsive bid from a responsible bidder whose product is a Washington grown food may exceed the lowest responsive bid submitted by a responsible bidder whose product is not a Washington grown food."

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

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Early Learning & K-12 Education to Engrossed Substitute House Bill No. 1633.

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

MOTION

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

On page 1, line 2 of the title, after "projects;" strike the remainder of the title and insert "and amending RCW 28A.335.190."

MOTION

On motion of Senator Litzow, the rules were suspended, Engrossed Substitute House Bill No. 1633 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 Litzow spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1633 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1633 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 33; Nays, 13; Absent, 0; Excused, 3.

Voting yea: Senators Bailey, Becker, Billig, Braun, Chase, Cleveland, Conway, Darneille, Eide, Fain, Fraser, Frockt, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Ranker, Rivers, Roach, Rolfes, Schlicher and Tom

Voting nay: Senators Baumgartner, Benton, Brown, Dammeier, Ericksen, Holmquist Newbry, Honeyford, Padden, Parlette, Pearson, Schoesler, Sheldon and Smith

Excused: Senators Carrell, Hargrove and Shin

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1633 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1112, by Representatives Short, Upthegrove, Springer, Pollet, Taylor, Zeiger and Wilcox

Concerning standards for the use of science to support public policy.

The measure was read the second time.

MOTION

On motion of Senator Pearson, the rules were suspended, House Bill No. 1112 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Pearson spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1112.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1112 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Excused: Senators Carrell and Shin

HOUSE BILL NO. 1112, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1325, by House Committee on Business & Financial Services (originally sponsored by Representatives Ryu and Kirby)

Addressing fees and semiannual assessments, powers, lending limits, and technical amendments related to state-chartered banks, savings banks, savings associations, and trust companies. Revised for 1st Substitute: Concerning banks, trust companies, savings banks, and savings associations, and making technical amendments to the laws governing the department of financial institutions.

The measure was read the second time.

MOTION

On motion of Senator Hobbs, the rules were suspended, Engrossed Substitute House Bill No. 1325 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1325.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1325 and the bill passed the Senate by the following vote: Yeas, 42; Nays, 5; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Becker, Benton, Billig, Braun, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon and Tom

Voting nay: Senators Baumgartner, Brown, Holmquist Newbry, Honeyford and Smith

Excused: Senators Carrell and Shin

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1325, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1245, by House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Hansen, Smith, Ryu, Wilcox, Maxwell, Warnick, Blake, Upthegrove, MacEwen, Lytton, Van De Wege, Takko, Walsh, Jinkins, Fitzgibbon, Hunt, Haigh, Morrell, Seaquist, Tharinger, Hudgins, Stanford and Hayes)

Regarding derelict and abandoned vessels in state waters.

The measure was read the second time.

MOTION

Senator Pearson moved that the following committee striking amendment by the Committee on Natural Resources & Parks be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 88.02.640 and 2012 c 74 s 16 are each amended to read as follows:

(1) In addition to any other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge the following vessel fees and surcharge:

FEE	AMOUNT	AUTHORITY	DISTRIBUTION
(a) Dealer temporary permit	$5.00	RCW 88.02.800(2)	General fund
(b) Derelict vessel and invasive species removal	Subsection (3) of this section	Subsection (3) of this section	Subsection (3) of this section
(c) Derelict vessel	$1.00	Subsection (4) of	Subsection (4) of this

removal surcharge		this section	section
(d) Duplicate certificate of title	$1.25	RCW 88.02.530(1)(c)	General fund
(e) Duplicate registration	$1.25	RCW 88.02.590(1)(c)	General fund
(f) Filing	RCW 46.17.005	RCW 88.02.560(2)	RCW 46.68.400
(g) License plate technology	RCW 46.17.015	RCW 88.02.560(2)	RCW 46.68.370
(h) License service	RCW 46.17.025	RCW 88.02.560(2)	RCW 46.68.220
(i) Nonresident vessel permit	$25.00	RCW 88.02.620(3)	Subsection (5) of this section
(j) Quick title service	$50.00	RCW 88.02.540(3)	Subsection (7) of this section
(k) Registration	$10.50	RCW 88.02.560(2)	RCW 88.02.650
(l) Replacement decal	$1.25	RCW 88.02.595(1)(c)	General fund
(m) Title application	$5.00	RCW 88.02.515	General fund
(n) Transfer	$1.00	RCW 88.02.560(7)	General fund
(o) Vessel visitor permit	$30.00	RCW 88.02.610(3)	Subsection (6) of this section

(2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.

(3)((~~(a)~~)) The derelict vessel and invasive species removal fee required in subsection (1) of this section is five dollars and must be distributed as follows:

((~~(i)~~)) (a) One dollar and fifty cents must be deposited in the aquatic invasive species prevention account created in RCW 77.12.879;

((~~(ii)~~)) (b) One dollar must be deposited into the aquatic algae control account created in RCW 43.21A.667;

((~~(iii)~~)) (c) Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and

((~~(iv)~~)) (d) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.

((~~(b) If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any transfer or appropriation of funds into the account or funds deposited into the account collected under subsection (5) of this section reaches one million dollars as of March 1st of any year, the collection of the two dollars of the derelict vessel and invasive species removal fee that is deposited into the derelict vessel removal account as authorized in (a)(iv) of this subsection must be suspended for the following fiscal year.~~))

(4) ((~~Until January 1, 2014~~)) In addition to other fees required in this section, an annual derelict vessel removal surcharge of one dollar must be charged with each vessel registration. The surcharge((~~:~~

~~(a)~~)) is to address the significant backlog of derelict vessels accumulated in Washington ((~~state~~)) waters that pose a threat to the health and safety of the people and to the environment((~~;~~

~~(b) Is to be used only for the removal of vessels that are less than seventy-five feet in length;~~)) and

((~~(c)~~)) must be deposited into the derelict vessel removal account created in RCW 79.100.100.

(5) The twenty-five dollar nonresident vessel permit fee must be paid by the vessel owner to the department for the cost of providing the identification document by the department. Any moneys remaining from the fee after the payment of costs must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650.

(6) The thirty dollar vessel visitor permit fee must be distributed as follows:

(a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;

(b) The department may keep an amount to cover costs for providing the vessel visitor permit;

(c) Any moneys remaining must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650; and

(d) Any fees required for licensing agents under RCW 46.17.005 are in addition to any other fee or tax due for the titling and registration of vessels.

(7)(a) The fifty dollar quick title service fee must be distributed as follows:

(i) If the fee is paid to the director, the fee must be deposited to the general fund.

(ii) If the fee is paid to the participating county auditor or other agent or subagent appointed by the director, twenty-five dollars must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.

(b) For the purposes of this subsection, "quick title" has the same meaning as in RCW 88.02.540.

Sec. 2. RCW 79.100.100 and 2010 c 161 s 1161 are each amended to read as follows:

(1)(a) The derelict vessel removal account is created in the state treasury. All receipts from RCW 79.100.050 and 79.100.060 and those moneys specified in RCW 88.02.640 must be deposited into the account. The account is authorized to receive fund transfers and appropriations from the general fund, deposits from the derelict vessel removal surcharge under RCW 88.02.640(4), as well as gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of this chapter and expend the same or any income according to the terms of the gifts, grants, or endowments provided those terms do not conflict with any provisions of this section or any guidelines developed to prioritize reimbursement of removal projects associated with this chapter.

(b) Moneys in the account may only be spent after appropriation. Expenditures from the account ((~~must~~)) may only be used by the department for developing and administering the vessel turn-in program created in section 42 of this act and to reimburse authorized public entities for up to ninety percent of the total reasonable and auditable administrative, removal, disposal, and environmental damage costs of abandoned or derelict vessels when the previous owner is either unknown after a reasonable search effort or insolvent. Reimbursement may not be made unless the department determines that the public entity has made reasonable efforts to identify and locate the party responsible for the vessel, or any other person or entity that has incurred secondary liability under section 38 of this act, regardless of the title of owner of the vessel.

(c) Funds in the account resulting from transfers from the general fund or from the deposit of funds from the watercraft excise tax as provided for under RCW 82.49.030 must be used to reimburse one hundred percent of ((~~these~~)) costs and should be prioritized for the removal of large vessels.

(d) Costs associated with the removal and disposal of an abandoned or derelict vessel under the authority granted in RCW 53.08.320 also qualify for reimbursement from the derelict vessel removal account.

(e) In each biennium, up to twenty percent of the expenditures from the derelict vessel removal account may be used for administrative expenses of the department of licensing and department of natural resources in implementing this chapter.

(2) ((~~If the balance of the account reaches one million dollars as of March 1st of any year, exclusive of any transfer or appropriation of funds into the account or funds deposited into the account collected under RCW 88.02.640(5), the department must notify the department of licensing and the collection of any fees associated with this account must be suspended for the following fiscal year.~~

~~(3)~~)) Priority for use of this account is for the removal of derelict and abandoned vessels that are in danger of sinking, breaking up, or blocking navigation channels, or that present environmental risks such as leaking fuel or other hazardous substances. The department must develop criteria, in the form of informal guidelines, to prioritize removal projects associated with this chapter, but may not consider whether the applicant is a state or local entity when prioritizing. The guidelines must also include guidance to the authorized public entities as to what removal activities and associated costs are reasonable and eligible for reimbursement.

(((~~(4)~~))) (3) The department must keep all authorized public entities ((~~apprized~~)) apprised of the balance of the derelict vessel removal account and the funds available for reimbursement. The guidelines developed by the department must also be made available to the other authorized public entities. This subsection (((~~(4)~~))) (3) must be satisfied by utilizing the least costly method, including maintaining the information on the department's internet web site, or any other cost-effective method.

(((~~(5)~~))) (4) An authorized public entity may contribute its ten percent of costs that are not eligible for reimbursement by using in-kind services, including the use of existing staff, equipment, and volunteers.

(((~~(6)~~))) (5) This chapter does not guarantee reimbursement for an authorized public entity. Authorized public entities seeking certainty in reimbursement prior to taking action under this chapter may first notify the department of their proposed action and the estimated total costs. Upon notification by an authorized public entity, the department must make the authorized public entity aware of the status of the fund and the likelihood of reimbursement being available. The department may offer technical assistance and assure reimbursement for up to two years following the removal action if an assurance is appropriate given the balance of the fund and the details of the proposed action.

Sec. 3. RCW 79A.65.020 and 2002 c 286 s 21 are each amended to read as follows:

(1) The commission may take reasonable measures, including but not limited to the use of anchors, chains, ropes, and locks, or removal from the water, to secure unauthorized vessels located at or on a commission facility so that the unauthorized vessels are in the possession and control of the commission. At least ten days before securing any unauthorized registered vessel, the commission shall send notification by registered mail to the last registered owner or registered owners of the vessel at their last known address or addresses.

(2) The commission may take reasonable measures, including but not limited to the use of anchors, chains, ropes, locks, or removal from the water, to secure any vessel if the vessel, in the opinion of the commission, is a nuisance, is in danger of sinking or creating other damage to a commission facility, or is otherwise a threat to the health, safety, or welfare of the public or environment at a commission facility. The costs of any such procedure shall be paid by the vessel's owner.

(3) At the time of securing any vessel under subsection (1) or (2) of this section, the commission shall attach to the vessel a readily visible notice or, when practicable, shall post such notice in a conspicuous location at the commission facility in the event the vessel is removed from the premises. The notice shall be of a reasonable size and shall contain the following information:

(a) The date and time the notice was attached or posted;

(b) A statement that the vessel has been secured by the commission and that if the commission's charges, if any, are not paid and the vessel is not removed by . . . . . (the thirty-fifth consecutive day following the date of attachment or posting of the notice), the

vessel will be considered abandoned and will be sold at public auction to satisfy the charges;

(c) The address and telephone number where additional information may be obtained concerning the securing of the vessel and conditions for its release; and

(d) A description of the owner's or secured party's rights under this chapter.

(4) With respect to registered vessels: Within five days of the date that notice is attached or posted under subsection (3) of this section, the commission shall send such notice, by registered mail, to each registered owner.

(5) If a vessel is secured under subsection (1) or (2) of this section, the owner, or any person with a legal right to possess the vessel, may claim the vessel by:

(a) Making arrangements satisfactory to the commission for the immediate removal of the vessel from the commission's control or for authorized storage or moorage; and

(b) Making payment to the commission of all reasonable charges incurred by the commission in securing the vessel under subsections (1) and (2) of this section and of all moorage fees owed to the commission.

(6) A vessel is considered abandoned if, within the thirty-five day period following the date of attachment or posting of notice in subsection (3) of this section, the vessel has not been claimed under subsection (5) of this section.

(7) If the owner or owners of a vessel are unable to reimburse the commission for all reasonable charges under subsections (1) and (2) of this section within a reasonable time, the commission may seek reimbursement of ((~~seventy-five~~)) ninety percent of all reasonable and auditable costs from the derelict vessel removal account established in RCW 79.100.100.

Sec. 4. RCW 79.100.130 and 2011 c 247 s 2 are each amended to read as follows:

(1) A ((~~marina~~)) private moorage facility owner, as those terms are defined in RCW 88.26.010, may contract with a local government for the purpose of participating in the derelict vessel removal program.

(2) If a contract is completed under this section, the local government shall serve as the authorized public entity for the removal of ((~~the~~)) a derelict or abandoned vessel from the ((~~marina owner's~~)) property of the private moorage facility owner. The contract must provide for the ((~~marina owner~~)) private moorage facility owner to be financially responsible for the removal and disposal costs that are not reimbursed by the department as provided under RCW 79.100.100, and any additional reasonable administrative costs incurred by the local government during the removal of the derelict or abandoned vessel.

(3) Prior to the commencement of any removal which will seek reimbursement from the derelict vessel removal program, the contract and the proposed vessel removal shall be submitted to the department for review and approval. The local government shall use the procedure specified under RCW 79.100.100(6).

(4) If the private moorage facility owner has already seized the vessel under chapter 88.26 RCW and title has reverted to the moorage facility, the moorage facility is not considered the owner under this chapter for purposes of cost recovery for actions taken under this section.

Sec. 5. RCW 43.19.1919 and 2011 1st sp.s. c 43 s 215 are each amended to read as follows:

(1) The department shall sell or exchange personal property belonging to the state for which the agency, office, department, or educational institution having custody thereof has no further use, at public or private sale, and cause the moneys realized from the sale of any such property to be paid into the fund from which such property was purchased or, if such fund no longer exists, into the state general fund. This requirement is subject to the following exceptions and limitations:

((~~(1)~~)) (a) This section does not apply to property under RCW 27.53.045, 28A.335.180, or 43.19.1920;

((~~(2)~~)) (b) Sales of capital assets may be made by the department and a credit established for future purchases of capital items as provided for in RCW 43.19.190 through 43.19.1939;

((~~(3)~~)) (c) Personal property, excess to a state agency, including educational institutions, shall not be sold or disposed of prior to reasonable efforts by the department to determine if other state agencies have a requirement for such personal property. Such determination shall follow sufficient notice to all state agencies to allow adequate time for them to make their needs known. Surplus items may be disposed of without prior notification to state agencies if it is determined by the director to be in the best interest of the state. The department shall maintain a record of disposed surplus property, including date and method of disposal, identity of any recipient, and approximate value of the property;

((~~(4)~~)) (d) This section does not apply to personal property acquired by a state organization under federal grants and contracts if in conflict with special title provisions contained in such grants or contracts;

((~~(5)~~)) (e) A state agency having a surplus personal property asset with a fair market value of less than five hundred dollars may transfer the asset to another state agency without charging fair market value. A state agency conducting this action must maintain adequate records to comply with agency inventory procedures and state audit requirements.

(2)(a) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(b) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (i) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (ii) permanently dispose of the vessel by landfill, deconstruction, or other related method.

NEW SECTION. **Sec. 6.** A new section is added to chapter 43.19 RCW to read as follows:

(1) Following the inspection required under section 5 of this act and prior to transferring ownership of a department-owned vessel, the department shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the department.

(2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the department may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.

(c) The department may consult with the department of ecology in carrying out the requirements of this subsection (2).

(3) Prior to sale, and unless the vessel has a title or valid marine document, the department is required to apply for a certificate of

title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 7.** A new section is added to chapter 43.30 RCW to read as follows:

(1) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

(3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 8 of this act.

NEW SECTION. **Sec. 8.** A new section is added to chapter 43.30 RCW to read as follows:

(1) Following the inspection required under section 7 of this act and prior to transferring ownership of a department-owned vessel, the department shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the department.

(2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the department may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.

(c) The department may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the department is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 9.** A new section is added to chapter 77.12 RCW to read as follows:

(1) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

(3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 10 of this act.

NEW SECTION. **Sec. 10.** A new section is added to chapter 77.12 RCW to read as follows:

(1) Following the inspection required under section 9 of this act and prior to transferring ownership of a department-owned vessel, the department shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the department.

(2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the department may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.

(c) The department may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the department is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 11.** A new section is added to chapter 79A.05 RCW to read as follows:

(1) Prior to transferring ownership of a commission-owned vessel, the commission shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the commission determines the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, that the commission may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

(3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 12 of this act.

NEW SECTION. **Sec. 12.** A new section is added to chapter 79A.05 RCW to read as follows:

(1) Following the inspection required under section 11 of this act and prior to transferring ownership of a commission-owned vessel, the commission shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the commission.

(2)(a) The commission shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the commission may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the commission's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the commission, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.

(c) The commission may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the commission is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 13.** A new section is added to chapter 47.01 RCW to read as follows:

(1) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

NEW SECTION. **Sec. 14.** A new section is added to chapter 47.01 RCW to read as follows:

(1) Following the inspection required under section 13 of this act and prior to transferring ownership of a department-owned vessel, the department shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the department.

(2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the department may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.

(c) The department may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the department is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 15.** A new section is added to chapter 35.21 RCW to read as follows:

(1) Prior to transferring ownership of a city or town-owned vessel, the city or town shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the city or town determines the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the city or town may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

(3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 16 of this act.

NEW SECTION. **Sec. 16.** A new section is added to chapter 35.21 RCW to read as follows:

(1) Following the inspection required under section 15 of this act and prior to transferring ownership of a city or town-owned vessel, a city or town shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the city or town.

(2)(a) The city or town shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the city or town may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the city or town's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the city or town, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.

(c) The city or town may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the city or town is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 17.** A new section is added to chapter 35A.21 RCW to read as follows:

(1) Prior to transferring ownership of a code city-owned vessel, the code city shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the code city determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the code city may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

(3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 18 of this act.

NEW SECTION. **Sec. 18.** A new section is added to chapter 35A.21 RCW to read as follows:

(1) Following the inspection required under section 17 of this act and prior to transferring ownership of a code city-owned vessel, a code city shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the code city.

(2)(a) The code city shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the code city may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the code city's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the code city, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.

(c) The code city may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the code city is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 19.** A new section is added to chapter 36.32 RCW to read as follows:

(1) Prior to transferring ownership of a county-owned vessel, the county shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the county determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the county may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

(3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 20 of this act.

NEW SECTION. **Sec. 20.** A new section is added to chapter 36.32 RCW to read as follows:

(1) Following the inspection required under section 19 of this act and prior to transferring ownership of a county-owned vessel, a county shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the county.

(2)(a) The county shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the county may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the county's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the county, based on factors including the vessel's size, condition, and anticipated use of the vessel including initial destination following transfer.

(c) The county may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the county is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 21.** A new section is added to chapter 53.08 RCW to read as follows:

(1) Prior to transferring ownership of a vessel owned by a port district and used primarily to conduct port business, the port district shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the port district determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the port district may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

(3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 22 of this act.

NEW SECTION. **Sec. 22.** A new section is added to chapter 53.08 RCW to read as follows:

(1) Following the inspection required under section 21 of this act and prior to transferring ownership of a port district-owned vessel, a port district shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the port district.

(2)(a) The port district shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the port district may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the port district's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the port district, based on factors including the vessel's size, condition, and anticipated use of the vessel including initial destination following transfer.

(c) The port district may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the port district is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 23.** A new section is added to chapter 43.21A RCW to read as follows:

(1) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

NEW SECTION. **Sec. 24.** A new section is added to chapter 43.21A RCW to read as follows:

(1) Following the inspection required under section 23 of this act and prior to transferring ownership of a department-owned vessel, the department shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the department.

(2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the department may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel including initial destination following transfer.

(3) Prior to sale, and unless the vessel has a valid marine document, the department is required to apply for a title or certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

NEW SECTION. **Sec. 25.** A new section is added to chapter 28B.10 RCW to read as follows:

(1) Prior to transferring ownership of an institution-owned vessel, an institution of higher education shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

(2) If the institution of higher education determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the institution of higher education may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

NEW SECTION. **Sec. 26.** A new section is added to chapter 28B.10 RCW to read as follows:

(1) Following the inspection required under section 25 of this act and prior to transferring ownership of an institution-owned vessel, the institution of higher education shall obtain the following from the transferee:

(a) The purposes for which the transferee intends to use the vessel; and

(b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the institution of higher education.

(2)(a) The institution of higher education shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.

(b) However, the institution of higher education may transfer a vessel with:

(i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the institution of higher education's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the institution of higher education, based on factors including the vessel's size, condition, and anticipated use of the vessel including initial destination following transfer.

(c) The institution of higher education may consult with the department of ecology in carrying out the requirements of this subsection.

(3) Prior to sale, and unless the vessel has a title or valid marine document, the institution of higher education is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.

Sec. 27. RCW 28B.10.029 and 2012 c 230 s 4 are each amended to read as follows:

(1)(a) An institution of higher education may, consistent with sections 25 and 26 of this act, exercise independently those powers otherwise granted to the director of enterprise services in chapter 43.19 RCW in connection with the purchase and disposition of all material, supplies, services, and equipment needed for the support, maintenance, and use of the respective institution of higher education.

(b) Property disposition policies followed by institutions of higher education shall be consistent with policies followed by the department of enterprise services.

(c)(i) Except as provided in (c)(ii) and (iii) of this subsection, purchasing policies and procedures followed by institutions of higher education shall be in compliance with chapters 39.19, 39.29, and 43.03 RCW, and RCW ((~~43.19.1901, 43.19.1906, 43.19.1911,~~)) 43.19.1917, ((~~43.19.1937,~~)) 43.19.685, ((~~43.19.700 through 43.19.704~~)) 39.26.260 through 39.26.271, and 43.19.560 through 43.19.637.

(ii) Institutions of higher education may use all appropriate means for making and paying for travel arrangements including, but not limited to, electronic booking and reservations, advance payment and deposits for tours, lodging, and other necessary expenses, and other travel transactions based on standard industry practices and federal accountable plan requirements. Such arrangements shall support student, faculty, staff, and other participants' travel, by groups and individuals, both domestic and international, in the most cost-effective and efficient manner possible, regardless of the source of funds.

(iii) Formal sealed, electronic, or web-based competitive bidding is not necessary for purchases or personal services contracts by institutions of higher education for less than one hundred thousand dollars. However, for purchases and personal services contracts of ten thousand dollars or more and less than one hundred thousand dollars, quotations must be secured from at least three vendors to assure establishment of a competitive price and may be obtained by telephone, electronic, or written quotations, or any combination thereof. As part of securing the three vendor quotations, institutions of higher education must invite at least one quotation each from a certified minority and a certified woman-owned vendor that otherwise qualifies to perform the work. A record of competition for all such purchases and personal services contracts of ten thousand dollars or more and less than one hundred thousand dollars must be documented for audit purposes.

(d) Purchases under chapter 39.29, 43.19, or 43.105 RCW by institutions of higher education may be made by using contracts for materials, supplies, services, or equipment negotiated or entered into by, for, or through group purchasing organizations.

(e) The community and technical colleges shall comply with RCW 43.19.450.

(f) Except for the University of Washington, institutions of higher education shall comply with RCW 43.19.769, 43.19.763, and 43.19.781.

(g) If an institution of higher education can satisfactorily demonstrate to the director of the office of financial management that the cost of compliance is greater than the value of benefits from any of the following statutes, then it shall be exempt from them: RCW 43.19.685 and 43.19.637.

(h) Any institution of higher education that chooses to exercise independent purchasing authority for a commodity or group of commodities shall notify the director of enterprise services. Thereafter the director of enterprise services shall not be required to provide those services for that institution for the duration of the enterprise services contract term for that commodity or group of commodities.

(2) The council of presidents and the state board for community and technical colleges shall convene its correctional industries business development advisory committee, and work collaboratively with correctional industries, to:

(a) Reaffirm purchasing criteria and ensure that quality, service, and timely delivery result in the best value for expenditure of state dollars;

(b) Update the approved list of correctional industries products from which higher education shall purchase; and

(c) Develop recommendations on ways to continue to build correctional industries' business with institutions of higher education.

(3) Higher education and correctional industries shall develop a plan to build higher education business with correctional industries to increase higher education purchases of correctional industries

products, based upon the criteria established in subsection (2) of this section. The plan shall include the correctional industries' production and sales goals for higher education and an approved list of products from which higher education institutions shall purchase, based on the criteria established in subsection (2) of this section. Higher education and correctional industries shall report to the legislature regarding the plan and its implementation no later than January 30, 2005.

(4)(a) Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2006, to purchase one percent of the total goods and services required by the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of corrections. Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2008, to purchase two percent of the total goods and services required by the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of corrections.

(b) Institutions of higher education shall endeavor to assure the department of corrections has notifications of bid opportunities with the goal of meeting or exceeding the purchasing target in (a) of this subsection.

NEW SECTION. **Sec. 28.** (1) The department of natural resources must reevaluate the criteria developed under RCW 79.100.100 regarding the prioritization of vessel removals funded by the derelict vessel removal account. This reprioritization process must occur by January 30, 2014, and consider how vessels located in the vicinity of aquaculture operations and other sensitive areas should be prioritized.

(2) This section expires July 31, 2015.

Sec. 29. RCW 88.02.380 and 2010 c 161 s 1006 are each amended to read as follows:

(1) Except as otherwise provided in this chapter, and, in part, in order to prevent the future potential dereliction or abandonment of a vessel, a violation of this chapter and the rules adopted by the department is a ((~~misdemeanor punishable only by a fine not to exceed one hundred dollars per vessel for the first violation. Subsequent violations in the same year are subject to the following fines:~~

~~(a) For the second violation, a fine of two hundred dollars per vessel;~~

~~(b) For the third and successive violations, a fine of four hundred dollars per vessel~~)) class 2 civil infraction.

(2) A ((~~violation designated in this chapter as a~~)) civil infraction issued under this chapter must be ((~~punished accordingly pursuant to~~)) processed under chapter 7.80 RCW.

(3) After the subtraction of court costs and administrative collection fees, moneys collected under this section must be credited to the ((~~current expense fund of the arresting jurisdiction~~)) ticketing jurisdiction and used only for the support of the enforcement agency, department, division, or program that issued the violation.

(4) All law enforcement officers may enforce this chapter and the rules adopted by the department within their respective jurisdictions. A city, town, or county may contract with a fire protection district for enforcement of this chapter, and fire protection districts may engage in enforcement activities.

Sec. 30. RCW 88.02.340 and 2010 c 161 s 1004 are each amended to read as follows:

(1) Any person charged with the enforcement of this chapter may inspect the registration certificate of a vessel to ascertain the legal and registered ownership of the vessel. A vessel owner or operator who fails to provide the registration certificate for inspection upon the request of any person charged with enforcement of this chapter ((~~is a class 2 civil infraction~~)) may be found to be in violation of this chapter.

(2) The department may require the inspection of vessels that are brought into this state from another state and for which a certificate of title has not been issued and for any other vessel if the department determines that inspection of the vessel will help to verify the accuracy of the information set forth on the application.

Sec. 31. RCW 88.02.550 and 2010 c 161 s 1017 are each amended to read as follows:

(1) Except as provided in this chapter, a person may not own or operate any vessel, including a rented vessel, on the waters of this state unless the vessel has been registered and displays a registration number and a valid decal in accordance with this chapter. A vessel that has or is required to have a valid marine document as a vessel of the United States is only required to display a valid decal. ((~~A violation of this section is a class 2 civil infraction.~~))

(2) A vessel numbered in this state under the federal boat safety act of 1971 (85 Stat. 213, 46 U.S.C. 4301 et seq.) is not required to be registered under this chapter until the certificate of number issued for the vessel under the federal boat safety act expires. When registering under this chapter, this type of vessel is subject to the amount of excise tax due under chapter 82.49 RCW that would have been due under chapter 82.49 RCW if the vessel had been registered at the time otherwise required under this chapter.

Sec. 32. RCW 79.100.120 and 2010 c 210 s 34 are each amended to read as follows:

(1) A person seeking to contest an authorized public entity's decision to take temporary possession or custody of a vessel under this chapter, or to contest the amount of reimbursement owed to an authorized public entity under this chapter, may request a hearing in accordance with this section.

(2)(a) If the contested decision or action was undertaken by a state agency, a written request for a hearing related to the decision or action must be filed with the pollution control hearings board and served on the state agency in accordance with RCW 43.21B.230 (2) and (3) within thirty days of the date the authorized public entity acquires custody of the vessel under RCW 79.100.040, or if the vessel is redeemed before the authorized public entity acquires custody, the date of redemption, or the right to a hearing is deemed waived and the vessel's owner is liable for any costs owed the authorized public entity. In the event of litigation, the prevailing party is entitled to reasonable attorneys' fees and costs.

(b) Upon receipt of a timely hearing request, the pollution control hearings board shall proceed to hear and determine the validity of the decision to take the vessel into temporary possession or custody and the reasonableness of any towing, storage, or other charges permitted under this chapter. Within five business days after the request for a hearing is filed, the pollution control hearings board shall notify the vessel owner requesting the hearing and the authorized public entity of the date, time, and location for the hearing. Unless the vessel is redeemed before the request for hearing is filed, the pollution control hearings board shall set the hearing on a date that is within ten business days of the filing of the request for hearing. If the vessel is redeemed before the request for a hearing is filed, the pollution control hearings board shall set the hearing on a date that is within sixty days of the filing of the request for hearing.

(c) Consistent with RCW 43.21B.305, a proceeding brought under this subsection may be heard by one member of the pollution control hearings board, whose decision is the final decision of the board.

(3)(a) If the contested decision or action was undertaken by a metropolitan park district, port district, city, town, or county, which has adopted rules or procedures for contesting decisions or actions pertaining to derelict or abandoned vessels, those rules or procedures must be followed in order to contest a decision to take temporary possession or custody of a vessel, or to contest the amount of reimbursement owed.

(b) If the metropolitan park district, port district, city, town, or county has not adopted rules or procedures for contesting decisions or actions pertaining to derelict or abandoned vessels, then a person requesting a hearing under this section must follow the procedure established in ((~~RCW 53.08.320(5) for contesting the decisions or actions of moorage facility operators~~)) subsection (2) of this section.

Sec. 33. RCW 43.21B.110 and 2010 c 210 s 7 and 2010 c 84 s 2 are each reenacted and amended to read as follows:

(1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, local health departments, the department of natural resources, the department of fish and wildlife, ((~~and~~)) the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, 76.09.170, 77.55.291, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

(b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 90.14.130, 90.46.250, 90.48.120, and 90.56.330.

(c) A final decision by the department or director made under chapter 183, Laws of 2009.

(d) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70.95.300.

(e) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70.95 RCW.

(f) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.

(g) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.

(h) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.

(i) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.

(j) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).

(k) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.

(l) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW.

(m) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(n) Decisions of ((~~a state agency that is~~)) an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

(2) The following hearings shall not be conducted by the hearings board:

(a) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.

(b) Hearings conducted by the department pursuant to RCW 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.

(c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.

(d) Hearings conducted by the department to adopt, modify, or repeal rules.

((~~(e) Appeals of decisions by the department as provided in chapter 43.21L RCW.~~))

(3) Review of rules and regulations adopted by the hearings board shall be subject to review in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

Sec. 34. RCW 43.21B.110 and 2010 c 210 s 8 and 2010 c 84 s 3 are each reenacted and amended to read as follows:

(1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, local health departments, the department of natural resources, the department of fish and wildlife, ((~~and~~)) the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, 76.09.170, 77.55.291, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

(b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 90.14.130, 90.46.250, 90.48.120, and 90.56.330.

(c) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70.95.300.

(d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70.95 RCW.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.

(g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.

(h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.

(i) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural

resources' appeals of county, city, or town objections under RCW 76.09.050(7).

(j) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.

(k) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW.

(l) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(m) Decisions of ((~~a state agency that is~~)) an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

(2) The following hearings shall not be conducted by the hearings board:

(a) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.

(b) Hearings conducted by the department pursuant to RCW 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.

(c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.

(d) Hearings conducted by the department to adopt, modify, or repeal rules.

(((~~(e) Appeals of decisions by the department as provided in chapter 43.21L RCW.~~)))

(3) Review of rules and regulations adopted by the hearings board shall be subject to review in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

NEW SECTION. **Sec. 35.** A new section is added to chapter 79.100 RCW to read as follows:

(1) An officer or employee of an authorized public entity, or the department of ecology at the request of an authorized public entity, may, consistent with subsection (2) of this section, board any vessel at any reasonable time for the purpose of:

(a) Administering this chapter, including identifying ownership of a vessel, assessing the structural integrity of a vessel, and assessing whether a vessel meets the criteria described under RCW 79.100.040(3); or

(b) For the department of ecology only, mitigating a potential threat to health, safety, or the environment under the authority provided in chapter 90.56 RCW.

(2)(a) Prior to boarding any vessel under the authority of this section, an officer or employee of an authorized public entity or the department of ecology must apply for and obtain an administrative search warrant in either Thurston county superior court or the superior court in the county where the vessel is located, unless a warrant is not otherwise required by law. The court may issue an administrative search warrant where the court has reasonable cause to believe it is necessary to achieve the purposes of this section.

(b) Prior to requesting an administrative search warrant under this subsection, the officer or employee must make a reasonable effort to contact the owner or the owner's designee and obtain consent to board the vessel.

(3) Nothing in this section affects an authorized public entity's authority to carry out actions under RCW 79.100.040 or any agency's existing authority to enter onto vessels under any other statute.

Sec. 36. RCW 90.56.410 and 1990 c 116 s 23 are each amended to read as follows:

(1) The department, through its duly authorized representatives, shall have the power to enter upon any private or public property, including the boarding of any ship, at any reasonable time, and the owner, managing agent, master, or occupant of such property shall permit such entry for the purpose of investigating conditions relating to violations or possible violations of this chapter, and to have access to any pertinent records relating to such property, including but not limited to operation and maintenance records and logs. The authority granted ((~~herein~~)) in this section shall not be construed to require any person to divulge trade secrets or secret processes. The director may issue subpoenas for the production of any books, records, documents, or witnesses in any hearing conducted pursuant to this chapter.

(2) The department may utilize the authority granted to it in section 35 of this act for the purposes of mitigating a potential threat to health, safety, or the environment from a vessel.

Sec. 37. RCW 79.100.040 and 2007 c 342 s 2 are each amended to read as follows:

(1) Prior to exercising the authority granted in RCW 79.100.030, the authorized public entity must first obtain custody of the vessel. To do so, the authorized public entity must:

(a) Mail notice of its intent to obtain custody, at least twenty days prior to taking custody, to the last known address of the previous owner to register the vessel in any state or with the federal government and to any lien holders or secured interests on record. A notice need not be sent to the purported owner or any other person whose interest in the vessel is not recorded with a state or federal agency;

(b) Post notice of its intent clearly on the vessel for thirty days and publish its intent at least once, more than ten days but less than twenty days prior to taking custody, in a newspaper of general circulation for the county in which the vessel is located; and

(c) Post notice of its intent on the department's internet web site on a page specifically designated for such notices. If the authorized public entity is not the department, the department must facilitate the internet posting.

(2) All notices sent, posted, or published in accordance with this section must, at a minimum, explain the intent of the authorized public entity to take custody of the vessel, the rights of the authorized public entity after taking custody of the vessel as provided in RCW 79.100.030, the procedures the owner must follow in order to avoid custody being taken by the authorized public entity, the procedures the owner must follow in order to reclaim possession after custody is taken by the authorized public entity, and the financial liabilities that the owner may incur as provided for in RCW 79.100.060.

(3)(a) ((~~If a~~)) Any authorized public entity may tow, beach, or otherwise take temporary possession of a vessel if the owner of the vessel cannot be located or is unwilling or unable to assume immediate responsibility for the vessel and if the vessel ((~~is~~)):

(i) Is in immediate danger of sinking, breaking up, or blocking navigational channels; or

(ii) Poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination((~~; and (iii) the owner of the vessel cannot be located or is unwilling or unable to assume immediate responsibility for the vessel, any authorized public entity may tow, beach, or otherwise take temporary possession of the vessel~~)).

(b) Before taking temporary possession of the vessel, the authorized public entity must make reasonable attempts to consult with the department or the United States coast guard to ensure that other remedies are not available. The basis for taking temporary possession of the vessel must be set out in writing by the authorized public entity within seven days of taking action and be submitted to the owner, if known, as soon thereafter as is reasonable. If the authorized public entity has not already provided the required notice, immediately after taking possession of the vessel, the authorized public entity must initiate the notice provisions in subsection (1) of this section. The authorized public entity must complete the notice requirements of subsection (1) of this section before using or disposing of the vessel as authorized in RCW 79.100.050.

(4) An authorized public entity may invite the department of ecology to use the authority granted to it under RCW 90.56.410 prior to, or concurrently with, obtaining custody of a vessel under this section. However, this is not a necessary prerequisite to an authorized public entity obtaining custody.

NEW SECTION. **Sec. 38.** A new section is added to chapter 79.100 RCW to read as follows:

(1) A vessel owner must obtain a vessel inspection under this section prior to transferring a vessel that is:

(a) More than sixty-five feet in length and more than forty years old; and

(b) Either:

(i) Is registered or required to be registered under chapter 88.02 RCW; or

(ii) Is listed or required to be listed under chapter 84.40 RCW.

(2) Where required under subsection (1) of this section, a vessel owner must provide a copy of the vessel inspection documentation to the transferee and, if the department did not conduct the inspection, to the department prior to the transfer.

(3) Failure to comply with the requirements of subsections (1) and (2) of this section will result in the transferor having secondary liability under RCW 79.100.060 if the vessel is later abandoned by the transferee or becomes derelict prior to a subsequent ownership transfer.

NEW SECTION. **Sec. 39.** (1) By December 31, 2013, the department of natural resources shall adopt by rule procedures and standards for the vessel inspections required under section 38 of this act. The procedures and standards must identify the public or private entities authorized to conduct inspections, the required elements of an inspection, and the manner in which inspection results must be documented. The vessel inspection required under this section must be designed to:

(a) Provide the transferee with current information about the condition of the vessel, including the condition of its hull and key operating systems, prior to the transfer;

(b) Provide the department of natural resources with information under (a) of this subsection for each applicable vessel and, more broadly, to improve the department's understanding of the condition of the larger, older boats in the state's waters;

(c) Discourage the future abandonment or dereliction of the vessel; and

(d) Maximize the efficiency and effectiveness of the inspection process, including with respect to the time and resources of the transferor, transferee, and the state.

(2) The department of natural resources shall work with appropriate government agencies and stakeholders in designing the inspection process and standards under this section.

(3) This section expires July 31, 2014.

Sec. 40. RCW 79.100.060 and 2006 c 153 s 4 are each amended to read as follows:

(1) The owner of an abandoned or derelict vessel, or any person or entity that has incurred secondary liability under section 38 of this act, is responsible for reimbursing an authorized public entity for all reasonable and auditable costs associated with the removal or disposal of the owner's vessel under this chapter. These costs include, but are not limited to, costs incurred exercising the authority granted in RCW 79.100.030, all administrative costs incurred by the authorized public entity during the procedure set forth in RCW 79.100.040, removal and disposal costs, and costs associated with environmental damages directly or indirectly caused by the vessel. An authorized public entity that has taken temporary possession of a vessel may require that all reasonable and auditable costs associated with the removal of the vessel be paid before the vessel is released to the owner.

(2) Reimbursement for costs may be sought from an owner, or any person or entity that has incurred secondary liability under section 38 of this act, who is identified subsequent to the vessel's removal and disposal.

(3) If the full amount of all costs due to the authorized public entity under this chapter is not paid to the authorized public entity within thirty days after first notifying the responsible parties of the amounts owed, the authorized public entity or the department may bring an action in any court of competent jurisdiction to recover the costs, plus reasonable attorneys' fees and costs incurred by the authorized public entity.

Sec. 41. RCW 88.26.020 and 1993 c 474 s 2 are each amended to read as follows:

(1) Any private moorage facility operator may take reasonable measures, including the use of chains, ropes, and locks, or removal from the water, to secure vessels within the private moorage facility so that the vessels are in the possession and control of the operator and cannot be removed from the facility. These procedures may be used if an owner mooring or storing a vessel at the facility fails, after being notified that charges are owing and of the owner's right to commence legal proceedings to contest that such charges are owing, to pay charges owed or to commence legal proceedings. Notification shall be by two separate letters, one sent by first-class mail and one sent by registered mail to the owner and any lienholder of record at the last known address. In the case of a transient vessel, or where no address was furnished by the owner, the operator need not give notice prior to securing the vessel. At the time of securing the vessel, an operator shall attach to the vessel a readily visible notice. The notice shall be of a reasonable size and shall contain the following information:

(a) The date and time the notice was attached;

(b) A statement that if the account is not paid in full within ninety days from the time the notice is attached the vessel may be sold at public auction to satisfy the charges; and

(c) The address and telephone number where additional information may be obtained concerning release of the vessel.

After a vessel is secured, the operator shall make a reasonable effort to notify the owner and any lienholder of record by registered mail in order to give the owner the information contained in the notice.

(2) A private moorage facility operator, at his or her discretion, may move moored vessels ashore for storage within properties under the operator's control or for storage with a private person under their control as bailees of the private moorage facility, if the vessel is, in the opinion of the operator, a nuisance, in danger of sinking or creating other damage, or is owing charges. The costs of any such procedure shall be paid by the vessel's owner.

(3) If a vessel is secured under subsection (1) of this section or moved ashore under subsection (2) of this section, the owner who is obligated to the private operator for charges may regain possession of the vessel by:

(a) Making arrangements satisfactory with the operator for the immediate removal of the vessel from the facility or for authorized moorage; and

(b) Making payment to the operator of all charges, or by posting with the operator a sufficient cash bond or other acceptable security, to be held in trust by the operator pending written agreement of the parties with respect to payment by the vessel owner of the amount owing, or pending resolution of the matter of the charges in a civil action in a court of competent jurisdiction. After entry of judgment, including any appeals, in a court of competent jurisdiction, or after the parties reach agreement with respect to payment, the trust shall terminate and the operator shall receive so much of the bond or other security as agreed, or as is necessary, to satisfy any judgment, costs, and interest as may be awarded to the

operator. The balance shall be refunded immediately to the owner at the last known address.

(4) If a vessel has been secured by the operator under subsection (1) of this section and is not released to the owner under the bonding provisions of this section within ninety days after notifying or attempting to notify the owner under subsection (1) of this section, the vessel is conclusively presumed to have been abandoned by the owner.

(5) If a vessel moored or stored at a private moorage facility is abandoned, the operator may authorize the public sale of the vessel by authorized personnel, consistent with this section, to the highest and best bidder for cash as follows:

(a) Before the vessel is sold, the vessel owner and any lienholder of record shall be given at least twenty days' notice of the sale in the manner set forth in subsection (1) of this section if the name and address of the owner is known. The notice shall contain the time and place of the sale, a reasonable description of the vessel to be sold, and the amount of charges owed with respect to the vessel. The notice of sale shall be published at least once, more than ten but not more than twenty days before the sale, in a newspaper of general circulation in the county in which the facility is located. This notice shall include the name of the vessel, if any, the last known owner and address, and a reasonable description of the vessel to be sold. The operator may bid all or part of its charges at the sale and may become a purchaser at the sale.

(b) Before the vessel is sold, any person seeking to redeem an impounded vessel under this section may commence a lawsuit in the superior court for the county in which the vessel was impounded to contest the validity of the impoundment or the amount of charges owing. This lawsuit must be commenced within sixty days of the date the notification was provided under subsection (1) of this section, or the right to a hearing is deemed waived and the owner is liable for any charges owing the operator. In the event of litigation, the prevailing party is entitled to reasonable attorneys' fees and costs.

(c) The proceeds of a sale under this section shall be applied first to the payment of any liens superior to the claim for charges, then to payment of the charges, then to satisfy any other liens on the vessel in the order of their priority. The balance, if any, shall be paid to the owner. If the owner cannot in the exercise of due diligence be located by the operator within one year of the date of the sale, the excess funds from the sale shall revert to the department of revenue under chapter 63.29 RCW. If the sale is for a sum less than the applicable charges, the operator is entitled to assert a claim for deficiency, however, the deficiency judgment shall not exceed the moorage fees owed for the previous six-month period.

(d) In the event no one purchases the vessel at a sale, or a vessel is not removed from the premises or other arrangements are not made within ten days of sale, title to the vessel will revert to the operator.

(e) Either a minimum bid may be established or a letter of credit may be required from the buyer, or both, to discourage the future abandonment of the vessel.

(6) The rights granted to a private moorage facility operator under this section are in addition to any other legal rights an operator may have to hold and sell a vessel and in no manner does this section alter those rights, or affect the priority of other liens on a vessel.

NEW SECTION. **Sec. 42.** A new section is added to chapter 79.100 RCW to read as follows:

(1) The department may develop and administer a voluntary vessel turn-in program.

(2) The purpose of the vessel turn-in program is to allow the department to dismantle and dispose of vessels that pose a high risk of becoming a derelict vessel or abandoned vessel, but that do not yet meet the definition of those terms. The department shall design the program with the goal of dismantling and disposing of as many vessels as available resources allow, particularly those vessels posing the greatest risk of becoming abandoned or derelict in the future.

(3) The department shall disseminate information about the vessel turn-in program, including information about the application process, on its internet site and through appropriate agency publications and information sources as determined by the department. The department shall disseminate this information for a reasonable time as determined by the department prior to accepting applications.

(4) The department shall accept and review vessel turn-in program applications from eligible vessel owners, including private marinas that have gained legal title to a vessel in an advanced state of disrepair, during the time period or periods identified by the department. In order to be eligible for the vessel turn-in program, an applicant must demonstrate to the department's satisfaction that the applicant:

(a) Is a Washington resident or business;

(b) Owns a vessel that is in an advanced state of disrepair, has minimal or no value, and has a high likelihood of becoming an abandoned or derelict vessel; and

(c) Has insufficient resources to properly dispose of the vessel outside of the vessel turn-in program.

(5) Decisions regarding program eligibility and whether to accept a vessel for dismantling and disposal under the turn-in program are within the sole discretion of the department.

(6) The department may take other actions not inconsistent with this section in order to develop and administer the vessel turn-in program.

(7) The department may not spend more than two hundred thousand dollars in any one biennium on the program established in this section.

NEW SECTION. **Sec. 43.** (1) In compliance with RCW 43.01.036, the department of natural resources must provide a brief summary of the vessel turn-in program authorized under section 42 of this act to the legislature by September 1, 2014, including information about applications for the program, the vessels disposed of, and any recommendations for modification of the program.

(2) This section expires July 31, 2015.

Sec. 44. RCW 43.21B.305 and 2005 c 34 s 2 are each amended to read as follows:

(1) In an appeal that involves a penalty of fifteen thousand dollars or less or that involves a derelict or abandoned vessel under RCW 79.100.120, the appeal may be heard by one member of the board, whose decision shall be the final decision of the board. The board shall define by rule alternative procedures to expedite appeals involving penalties of fifteen thousand dollars or less or involving a derelict or abandoned vessel. These alternatives may include: Mediation, upon agreement of all parties; submission of testimony by affidavit; or other forms that may lead to less formal and faster resolution of appeals.

(2) For appeals that involve a derelict or abandoned vessel under RCW 79.100.120 only, an administrative law judge employed by the board may be substituted for a board member under this section.

NEW SECTION. **Sec. 45.** (1) The department of natural resources must, in consultation with the department of ecology and appropriate stakeholders, evaluate potential changes to laws and rules related to derelict and abandoned vessels that increase vessel owner responsibility and address challenges associated with the economics of removing vessels from the water. This evaluation must include the development and analysis of:

(a) Administrative and legislative vessel owner responsibility options that seek to ensure the prevention and cleanup of derelict and abandoned vessels, including the development of mandatory processes for public and private moorage facility operators to

employ in an effort to appropriately limit the transfer of high risk vessels; and

(b) The identification of challenges and roadblocks to deconstructing derelict vessels and transforming them into a viable scrap metal product.

(2) The department of natural resources may choose which appropriate stakeholders are consulted in the implementation of this section. However, persons with relevant expertise on financial responsibility mechanisms, such as insurance and surety bonds and letters of credit, must be included. The department of natural resources must also seek to ensure opportunities for interested members of the senate and house of representatives to provide input into the work group process and conclusions.

(3) The department of natural resources must provide a summary of the options developed by the work group, or a draft of proposed legislation, to the legislature consistent with RCW 43.01.036 by December 15, 2013.

(4) This section expires June 30, 2014.

NEW SECTION. **Sec. 46.** Section 33 of this act expires June 30, 2019.

NEW SECTION. **Sec. 47.** Section 34 of this act takes effect June 30, 2019.

NEW SECTION. **Sec. 48.** Section 38 of this act takes effect July 1, 2014."

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

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Natural Resources & Parks to Engrossed Substitute House Bill No. 1245.

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

MOTION

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

On page 1, line 1 of the title, after "waters;" strike the remainder of the title and insert "amending RCW 88.02.640, 79.100.100, 79A.65.020, 79.100.130, 43.19.1919, 28B.10.029, 88.02.380, 88.02.340, 88.02.550, 79.100.120, 90.56.410, 79.100.040, 79.100.060, 88.26.020, and 43.21B.305; reenacting and amending RCW 43.21B.110 and 43.21B.110; adding a new section to chapter 43.19 RCW; adding new sections to chapter 43.30 RCW; adding new sections to chapter 77.12 RCW; adding new sections to chapter 79A.05 RCW; adding new sections to chapter 47.01 RCW; adding new sections to chapter 35.21 RCW; adding new sections to chapter 35A.21 RCW; adding new sections to chapter 36.32 RCW; adding new sections to chapter 53.08 RCW; adding new sections to chapter 43.21A RCW; adding new sections to chapter 28B.10 RCW; adding new sections to chapter 79.100 RCW; creating new sections; prescribing penalties; providing effective dates; and providing expiration dates."

MOTION

On motion of Senator Pearson, the rules were suspended, Engrossed Substitute House Bill No. 1245 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

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

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1245 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1245 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 44; Nays, 3; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon and Tom

Voting nay: Senators Ericksen, Holmquist Newbry and Smith

Excused: Senators Carrell and Shin

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1245 as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1625, by House Committee on Transportation (originally sponsored by Representatives Pollet, Clibborn, Kagi, Pedersen, Hunt, Riccelli, Appleton, Hudgins, Moscoso, Fitzgibbon, Morrell, Sells and Bergquist)

Concerning certain tow truck operator requirements and rates. Revised for 1st Substitute: Concerning limitations on certain tow truck operator rates.

The measure was read the second time.

MOTION

On motion of Senator King, the rules were suspended, Engrossed Substitute House Bill No. 1625 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

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

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1625.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1625 and the bill passed the Senate by the following vote: Yeas, 46; Nays, 0; Absent, 1; Excused, 2.

Voting yea: Senators Bailey, Baumgartner, Becker, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Absent: Senator Benton

Excused: Senators Carrell and Shin

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1625, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1647, by House Committee on Judiciary (originally sponsored by Representatives Tarleton, Haler, Riccelli, Maxwell, Sawyer, Scott, Bergquist, Farrell, Morrell, Jinkins, Roberts and Pollet)

Requiring landlords to maintain and safeguard keys to leased premises. Revised for 1st Substitute: Requiring landlords to maintain and safeguard keys to dwelling units.

The measure was read the second time.

MOTION

On motion of Senator Hobbs, the rules were suspended, Engrossed Substitute House Bill No. 1647 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Hobbs spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed Substitute House Bill No. 1647.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1647 and the bill passed the Senate by the following vote: Yeas, 42; Nays, 5; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Sheldon and Tom

Voting nay: Senators Ericksen, Holmquist Newbry, Honeyford, Schoesler and Smith

Excused: Senators Carrell and Shin

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1647, 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 FOR RECONSIDERATION

On motion of Senator Fain, who had voted on the prevailing side, the rules were suspended and the vote by which Engrossed Substitute House Bill No. 1625 passed the Senate earlier in the day was immediately reconsidered.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute House Bill No. 1625, on reconsideration, and the bill passed by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Bailey, Baumgartner, Becker, Benton, Billig, Braun, Brown, Chase, Cleveland, Conway, Dammeier, Darneille, Eide, Ericksen, Fain, Fraser, Frockt, Hargrove, Harper, Hasegawa, Hatfield, Hewitt, Hill, Hobbs, Holmquist Newbry, Honeyford, Keiser, King, Kline, Kohl-Welles, Litzow, McAuliffe, Mullet, Murray, Nelson, Padden, Parlette, Pearson, Ranker, Rivers, Roach, Rolfes, Schlicher, Schoesler, Sheldon, Smith and Tom

Excused: Senators Carrell and Shin

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1625, on reconsideration, 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.

NOTICE OF RECONSIDERATION

On motion of Senator Fain, the notice, given by Senator Fain, of reconsideration of the vote by which House Bill No. 1471, as amended by the Senate, passed the senate earlier in the day, was withdrawn.

MOTION

At 3:43 p.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President.

The Senate was called to order at 4:53 p.m. by Senator Hargrove.

MOTION

At 4:54 p.m., on motion of Senator Fain, the Senate adjourned until 10:00 a.m. Monday, April 15, 2013.

BRAD OWEN, President of the Senate

HUNTER GOODMAN, Secretary of the Senate