

SIXTY NINTH LEGISLATURE - REGULAR SESSION

NINETY NINTH DAY

House Chamber, Olympia, Monday, April 21, 2025

The House was called to order at 9:00 a.m. by the Speaker. The Clerk called the roll and a quorum was present.

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard Pages Gracie Schwartz and Dhanya Ramanathan. The Speaker led the Chamber in the Pledge of Allegiance

The Speaker asked the Chamber to observe a moment of silence for the passing of Washington State Senator Bill Ramos.

The prayer was offered by Dr. Philip Lindholm from University of Washington Medical Center who is a former U.S. Air Force Captain and Chaplain.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

SPEAKER'S PRIVILEGE

The Speaker introduced the Bremerton High School Boys Basketball Team seated in the gallery that was recognized in House Resolution No. 4643.

The Speaker called upon Representative Timmons to preside.

There being no objection, the House advanced to the third order of business.

MESSAGE FROM THE SENATE

Saturday, April 19, 2025

Mme. Speaker:

The Senate has passed:

SUBSTITUTE SENATE BILL NO. 5393
 SENATE BILL NO. 5647
 SUBSTITUTE SENATE BILL NO. 5785
 SUBSTITUTE SENATE BILL NO. 5790
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5794
 SECOND SUBSTITUTE SENATE BILL NO. 5802
 SENATE BILL NO. 5807
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5813

and the same are herewith transmitted.

Colleen Pehar, Deputy Secretary

MESSAGE FROM THE SENATE

Saturday, April 19, 2025

Mme. Speaker:

The President has signed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5004
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5009
 SENATE BILL NO. 5032
 SUBSTITUTE SENATE BILL NO. 5033
 SENATE BILL NO. 5036
 SENATE BILL NO. 5077
 SENATE BILL NO. 5079
 SUBSTITUTE SENATE BILL NO. 5093

SENATE BILL NO. 5138
 SUBSTITUTE SENATE BILL NO. 5139
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5142
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5148
 SUBSTITUTE SENATE BILL NO. 5168
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5184
 SENATE BILL NO. 5189
 SENATE BILL NO. 5315
 SUBSTITUTE SENATE BILL NO. 5431
 SUBSTITUTE SENATE BILL NO. 5516
 SUBSTITUTE SENATE BILL NO. 5587
 SENATE BILL NO. 5682

and the same are herewith transmitted.

Colleen Pehar, Deputy Secretary

MESSAGE FROM THE SENATE

Saturday, April 19, 2025

Mme. Speaker:

The President has signed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5029
 ENGROSSED SENATE BILL NO. 5206
 SUBSTITUTE SENATE BILL NO. 5212
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5217
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5219
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5232
 SUBSTITUTE SENATE BILL NO. 5253
 SUBSTITUTE SENATE BILL NO. 5262
 SUBSTITUTE SENATE BILL NO. 5298
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5303
 ENGROSSED SENATE BILL NO. 5313
 SUBSTITUTE SENATE BILL NO. 5314
 SENATE BILL NO. 5317
 SENATE BILL NO. 5343
 SUBSTITUTE SENATE BILL NO. 5365
 SUBSTITUTE SENATE BILL NO. 5388
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5403
 SUBSTITUTE SENATE BILL NO. 5412
 SUBSTITUTE SENATE BILL NO. 5528
 ENGROSSED SENATE BILL NO. 5595

and the same are herewith transmitted.

Colleen Pehar, Deputy Secretary

There being no objection, the House advanced to the fourth order of business.

INTRODUCTION & FIRST READING

SSB 5444 Cortes, Chapman, Lovick, Nobles, Riccelli and Wilson, C.by Senate Committee on Transportation (originally sponsored by Cortes, Chapman, Lovick, Nobles, Riccelli and Wilson, C.)

AN ACT Relating to special license plates and personalized license plates; amending RCW 46.18.060, 44.04.300, 43.60A.140, and 46.17.210; reenacting and amending RCW 46.17.220, 46.18.200, 46.68.420, and 46.68.425; adding new

sections to chapter 46.04 RCW; adding a new section to chapter 46.18 RCW; creating a new section; providing an effective date; and providing an expiration date.

Referred to Committee on Transportation.

FIRST SUPPLEMENTAL INTRODUCTION & FIRST READING

SSB 5393 Robinson, Nobles and Wilson, C.by Senate Committee on Ways & Means (originally sponsored by Robinson, Nobles and Wilson, C.)

AN ACT Relating to closing the Rainier school by June 30, 2027; amending RCW 71A.20.020, 28A.190.005, 72.01.050, and 72.05.010; adding a new section to chapter 71A.20 RCW; creating new sections; providing an effective date; and declaring an emergency.

Referred to Committee on Appropriations.

SB 5647 by Senators Alvarado, Frame, Saldaña, Trudeau and Valdez

AN ACT Relating to providing a real estate excise tax exemption for the sale of qualified affordable housing; amending RCW 82.45.010; amending 2019 c 385 s 1 (uncodified); and providing an expiration date.

Referred to Committee on Finance.

SSB 5785 Robinsonby Senate Committee on Ways & Means (originally sponsored by Robinson)

AN ACT Relating to amending the Washington college grant and college bound scholarship by codifying the Washington college grant maximum award eligibility to 60 percent of the state median family income, modifying grant award amounts and award terms, and limiting institutional eligibility; amending RCW 28B.92.030, 28B.92.205, and 28B.118.010; providing an effective date; and declaring an emergency.

Referred to Committee on Appropriations.

SSB 5790 Robinsonby Senate Committee on Ways & Means (originally sponsored by Robinson)

AN ACT Relating to cost-of-living adjustments for community and technical college employees; amending RCW 28B.50.465 and 28B.50.468; providing an effective date; and declaring an emergency.

Referred to Committee on Appropriations.

ESSB 5794 Salomon, Lovelett, Alvarado, Bateman, Dhingra, Frame, Hasegawa, Nobles, Ramos, Riccelli, Trudeau and Wellmanby Senate Committee on Ways & Means (originally sponsored by Salomon, Lovelett, Alvarado, Bateman, Dhingra, Frame, Hasegawa, Nobles, Ramos, Riccelli, Trudeau and Wellman)

AN ACT Relating to improving the administration of tax preferences by adopting recommendations from the tax preference performance review process, eliminating obsolete tax preferences, clarifying legislative intent, and addressing changes in constitutional law; amending RCW 82.04.260, 82.04.290, 48.14.0201, 82.04.405, 82.04.29004, 82.04.280, 82.04.390, 82.04.460, and 82.04.460; reenacting and amending RCW 82.04.260; adding a new section to chapter 82.04 RCW; creating new sections; repealing RCW 82.04.062, 82.16.0497, 82.04.44525, 82.04.272, 82.04.315, 82.04.4292, 82.04.29005, and 82.04.434; providing effective dates; and providing expiration dates.

Referred to Committee on Finance.

2SSB 5802 Liias and Kingby Senate Committee on Ways & Means (originally sponsored by Liias and King)

AN ACT Relating to rebalancing statutory fund transfers and revenue dedications for transportation; amending RCW 82.32.385, 82.08.020, 82.12.020, 47.46.060, and 47.01.412; reenacting and amending RCW 43.155.050; and declaring an emergency.

Referred to Committee on Appropriations.

SB 5807 by Senator Robinson

AN ACT Relating to wellness incentives for public and school employee health benefit plans; and amending RCW 41.05.065 and 41.05.740.

Referred to Committee on Appropriations.

ESSB 5813 Wilson, C., Stanford, Alvarado, Frame, Nobles, Pedersen and Valdezby Senate Committee on Ways & Means (originally sponsored by Wilson, C., Stanford, Alvarado, Frame, Nobles, Pedersen and Valdez)

AN ACT Relating to increasing funding to the education legacy trust account for public education, child care, early learning, and higher education by creating a more progressive rate structure for the capital gains tax and estate tax; amending RCW 82.87.040, 83.100.040, and 83.100.048; reenacting and amending RCW 83.100.020; creating new sections; and providing an effective date.

Referred to Committee on Finance.

ESSB 5814 Frame, Trudeau, Alvarado, Nobles, Pedersen, Valdez and Wilson, C.by Senate Committee on Ways & Means (originally sponsored by Frame, Trudeau, Alvarado, Nobles, Pedersen, Valdez and Wilson, C.)

AN ACT Relating to funding public schools, health care, social services, and other programs and services to benefit Washingtonians by modifying the application and administration of certain excise taxes; amending RCW 82.04.192, 82.26.010, and 82.32.045; reenacting and amending RCW 82.04.050 and 82.32.050; adding a new section to chapter 82.24 RCW; creating new sections; and providing effective dates.

Referred to Committee on Finance.

There being no objection, the bills listed on the day's introduction sheet and supplemental introduction sheet under the fourth order of business were referred to the committees so designated.

There being no objection, the House advanced to the seventh order of business.

THIRD READING

MESSAGE FROM THE SENATE

Tuesday, April 15, 2025

Mme. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1409, with the following amendment(s): 1409-S2 AMS ENET S2524.2

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 70A.535.025 and 2022 c 182 s 408 are each amended to read as follows:

(1) The department shall adopt rules that establish standards that reduce carbon intensity in transportation fuels used in Washington. The standards established by the rules must be based on the carbon intensity of gasoline and gasoline substitutes and the carbon intensity of diesel and diesel substitutes. The standards:

(a) Must reduce the overall, aggregate carbon intensity of transportation fuels used in Washington;

(b) May only require carbon intensity reductions at the aggregate level of all transportation fuels and may not require a reduction in carbon intensity to be achieved by any individual type of transportation fuel;

(c) Must assign a compliance obligation to fuels whose carbon intensity exceeds the standards adopted by the department, consistent with the requirements of RCW 70A.535.030; and

(d) Must assign credits that can be used to satisfy or offset compliance obligations to fuels whose carbon intensity is below the standards adopted by the department and that elect to participate in the program, consistent with the requirements of RCW 70A.535.030.

(2) The clean fuels program adopted by the department must be designed such that:

(a) Regulated parties generate deficits and may reconcile the deficits, and thus comply with the clean fuels program standards for a compliance period, by obtaining and retiring credits;

(b) Regulated parties and credit generators may generate credits for fuels used as substitutes or alternatives for gasoline or diesel;

(c) Regulated parties, credit generators, and credit aggregators shall have opportunities to trade credits; and

(d) Regulated parties shall be allowed to carry over to the next compliance period a small deficit without penalty.

(3) The department shall, throughout a compliance period, regularly monitor the availability of fuels needed for compliance with the clean fuels program.

(4)(a) Under the clean fuels program, the department shall monthly calculate the volume-weighted average price of credits and, no later than the last day of the month immediately following the month for which the calculation is completed, post the formula and the nonaggregated data the department used for the calculation and the results of the calculation on the department's website.

(b) In completing the calculation required by this subsection, the department may exclude from the data set credit transfers without a price or other credit transfers made for a price that falls two standard deviations outside of the mean credit price for the month. Data posted on the department's website under this section may not include any individually identifiable information or information that would constitute a trade secret.

(5)(a) Except as provided in ~~((this~~ section, the rules adopted under this

~~section must reduce))~~ (b) of this subsection, the greenhouse gas emissions attributable to each unit of the fuels must be reduced to ~~((20))~~ 45 percent below 2017 levels by ~~((2038))~~ January 1, 2038, based on the following schedule:

(i) ~~((No more than))~~ 0.5 percent each year in 2023 and 2024;

(ii) ~~((No more than an))~~ An additional one percent each year ~~((beginning))~~ in 2025 ~~((through 2027))~~;

(iii) ~~((No more than an additional 1.5 percent each year beginning in 2028 through 2031; and~~

~~(iv) No change in 2032 and 2033.~~

~~(b) The rules must establish a start date for the clean fuels program of no later than January 1, 2023.~~

~~(6) Beginning with the program year beginning in calendar year 2028, the department may not increase the carbon intensity reductions required by the applicable clean fuels program standard adopted by the department under subsection (5) of this section beyond a 10 percent reduction in carbon intensity until the department demonstrates that the following have occurred:~~

~~(a) At least a 15 percent net increase in the volume of in-state liquid biofuel production and the use of feedstocks grown or produced within the state relative to the start of the program; and~~

~~(b) At least one new or expanded biofuel production facility representing an increase in production capacity or producing, in total, in excess of 60,000,000 gallons of biofuels per year has or have received after July 1, 2021, all necessary siting, operating, and environmental permits post all timely and applicable appeals. As part of the threshold of 60,000,000 gallons of biofuel under this subsection, at least one new facility producing at least 10,000,000 gallons per year must have received all necessary siting, operating, and environmental permits. Timely and applicable appeals must be determined by the attorney general's office.~~

~~(7) Beginning with the program year beginning in calendar year 2031, the department may not increase the carbon intensity reductions required by the applicable clean fuels program standard adopted by the department under subsection (5) of this section beyond a 10 percent reduction in carbon intensity until the:~~

~~(a) Joint legislative audit and review committee report required in RCW 70A.535.140 has been completed; and~~

~~(b) 2033 regular legislative session has adjourned, in order to allow an opportunity for the legislature to amend the requirements of this chapter in light of the report required in (a) of this subsection.~~

~~(8))~~ An additional five percent on January 1, 2026;

(iv) An additional four percent beginning January 1, 2027; and

(v) As determined by the department by rule, no less than an additional three percent and no more than an additional four percent each year beginning January 1, 2028, through January 1, 2038.

(b)(i) Taking effect no earlier than January 1, 2032, the department may adjust

the carbon intensity standard established in (a) of this subsection to require a 55 percent reduction in the greenhouse gas emissions attributable to each unit of fuels by January 1, 2038, and may adjust the intermediate annual reduction targets for the years 2032 through 2037 established in (a) of this subsection accordingly, if:

(A) The department determines that as of January 1, 2030, at least one rule that is part of the zero emission vehicle program established under chapter 70A.30 RCW was not being enforced; or

(B) The department determines, based on the greenhouse gas emissions data reported under RCW 70A.15.2200 for calendar year 2030, that greenhouse gas emissions associated with transportation fuels covered under this chapter have not been proportionately reduced relative to the 45 percent reduction in RCW 70A.45.020, and that an increase of the carbon intensity standard to require a 55 percent reduction in the greenhouse gas emissions attributable to each unit of fuel by January 1, 2038, is necessary to proportionately reduce the greenhouse gas emissions associated with transportation fuels covered under this chapter relative to the 70 percent reduction in RCW 70A.45.020.

(ii) Taking into consideration the fuel supply forecasts produced under RCW 70A.535.100, the department may, at any time between now and 2038, adjust the carbon intensity standard for a calendar year to be up to two percent less than the percentage reduction in the carbon intensity standard for that year as established in (a) of this subsection if the department determines that doing so is necessary to avoid the department issuing a forecast deferral under RCW 70A.535.110.

(6) Beginning with the program year beginning in calendar year 2030, the department may not increase the carbon intensity reductions required by the applicable clean fuels program standard adopted by the department under subsection (5) of this section beyond a 20 percent reduction in carbon intensity until the department demonstrates that at least one new or expanded biofuel production facility has received a siting, operating, or environmental permit after January 1, 2025.

(7) Transportation fuels exported from Washington are not subject to the greenhouse gas emissions reduction requirements in this section.

~~((9))~~ (8) To the extent the requirements of this chapter conflict with the requirements of chapter 19.112 RCW, the requirements of this chapter prevail.

Sec. 2. RCW 70A.535.060 and 2021 c 317 s 7 are each amended to read as follows:

(1) Except where otherwise provided in this chapter, the department shall seek to adopt rules that are harmonized with the regulatory standards, exemptions, reporting obligations, rule updates, and other clean fuels program compliance requirements and methods for credit generation of other states that:

(a) Have adopted low carbon fuel standards or similar greenhouse gas

emissions requirements applicable specifically to transportation fuels; and

(b)(i) Supply, or have the potential to supply, significant quantities of transportation fuel to Washington markets; or

(ii) To which Washington supplies, or has the potential to supply, significant quantities of transportation fuel.

(2) The department must establish and periodically consult a stakeholder advisory panel, including representatives of forestland and agricultural landowners, for purposes of soliciting input on how to best incentivize and allot credits for the sequestration of greenhouse gases through activities on agricultural and forestlands in a manner that is consistent with the goals and requirements of this chapter.

(3) The department must conduct a biennial review of innovative technologies and pathways that reduce carbon and increase credit generation opportunities and must modify rules or guidance as needed to maintain stable credit markets.

(4) In any reports to the legislature under RCW 70A.535.090, on the department's website, or in other public documents or communications that refer to assumed public health benefits associated with the program created in this chapter, the department must distinguish between public health benefits from small particulate matter and other conventional pollutant reductions achieved primarily as a result of vehicle emission standards established under chapter 70A.30 RCW, and the incremental benefits to air pollution attributable to the program created under this chapter.

NEW SECTION. Sec. 3. A new section is added to chapter 70A.535 RCW to read as follows:

(1)(a) All regulated parties and credit generators are required to submit reports under RCW 70A.535.070 in a timely manner to meet the entities' compliance obligations and shall comply with all requirements for recordkeeping, reporting, transacting credits, obtaining a carbon intensity calculation, and other provisions of this chapter.

(b) The department may issue a corrective action order to a person that does not comply with a requirement of this chapter.

(2) Each deficit for which a registered party does not retire a corresponding credit at the end of a compliance period constitutes a separate violation of this chapter unless that registered party participates in the credit clearance market as required under RCW 70A.535.030(8). For each violation, the department may issue a penalty of up to four times the maximum posted price of the most recent credit clearance market.

(3) The department may issue a penalty for any misreporting by a party that results in the claim of credits that does not meet the requirements of this chapter or the failure to report a deficit. The penalty issued under this subsection may be up to \$1,000 per credit or deficit in violation of the requirements of this chapter. A registered party may not be penalized under

this subsection if any misreporting in a quarterly report is corrected by the end of that quarter's reporting period.

(4) The department may issue a penalty of up to \$10,000 per day each day a registered party does not submit a report under RCW 70A.535.070 by the reporting deadline.

(5) The department may issue a penalty for credits generated in exceedance of a carbon intensity standard adopted by the department for that year of up to \$1,000 per credit for each illegitimate credit generated as a result of the incorrect carbon intensity score.

(6) The department may issue a penalty of up to \$25,000 per month that a regulated party is not registered with the department in violation of RCW 70A.535.070.

(7) The department may issue to any participating electric utility a penalty of up to four times the credit revenue improperly spent in violation of RCW 70A.535.080 or rules adopted to implement that section.

(8) The department may issue a penalty of up to \$50,000 or \$10,000 per day for a violation of the third-party verification requirements adopted by the department under RCW 70A.535.030(3)(c) for as long as the registered party remains out of compliance with these requirements. However, the department shall not issue a penalty to a registered party for a violation of third-party verification requirements that the registered party demonstrates to the department was due to an error made by the third-party verifier.

(9) For violations other than those described in subsections (2) through (8) of this section, the department may issue a penalty of up to \$10,000 per day per violation for each day any registered party violates the terms of this chapter or an order issued under this chapter.

(10) An electric utility must notify its retail customers in published form within three months of paying a monetary penalty under this section.

(11) Penalties and orders issued under this section may be appealed to the pollution control hearings board created in chapter 43.21B.RCW. Penalties collected under this chapter must be deposited in the carbon emissions reduction account created in RCW 70A.65.240.

NEW SECTION. Sec. 4. A new section is added to chapter 70A.535 RCW to read as follows:

(1) The department shall publish on its website analysis and forecasts of the credit markets created by this chapter, including:

(a) The prices of credits in Washington and the price of credits as compared to other jurisdictions implementing similar clean fuels policies;

(b) Trends in credit supply and demand;

(c) Activities in the credit markets, including volume of credits transferred and price per credit, categorized by fuel type;

(d) The share of deficits generated by fuel type, and the share of credits generated by fuel type; and

(e) Trends in in-state biofuel feedstock production types and volumes.

(2) The department must consider the analysis in subsection (1) of this section in adopting rules to implement the requirements of this chapter.

Sec. 5. RCW 70A.535.010 and 2023 c 232 s 2 are each reenacted and amended to read as follows:

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

(1) "Alternative jet fuel" means a fuel that can be blended and used with conventional petroleum jet fuels without the need to modify aircraft engines and existing fuel distribution infrastructure, and that have a lower carbon intensity than the applicable annual carbon intensity standard in Table 2 of WAC 173-424-900, as it existed on July 1, 2023. Alternative jet fuel includes jet fuels derived from coprocessed feedstocks at a conventional petroleum refinery.

(2) "Carbon dioxide equivalents" has the same meaning as defined in RCW 70A.45.010.

(3) "Carbon intensity" means the quantity of life-cycle greenhouse gas emissions, per unit of fuel energy, expressed in grams of carbon dioxide equivalent per megajoule (gCO₂e/MJ).

(4) "Clean fuels program" means the requirements established under this chapter.

(5) "Cost" means an expense connected to the manufacture, distribution, or other aspects of the provision of a transportation fuel product.

(6) "Credit" means a unit of measure generated when a transportation fuel with a carbon intensity that is less than the applicable standard adopted by the department under RCW 70A.535.025 is produced, imported, or dispensed for use in Washington, such that one credit is equal to one metric ton of carbon dioxide equivalents. A credit may also be generated through other activities consistent with this chapter.

(7) "Deficit" means a unit of measure generated when a transportation fuel with a carbon intensity that is greater than the applicable standard adopted by the department under RCW 70A.535.025 is produced, imported, or dispensed for use in Washington, such that one deficit is equal to one metric ton of carbon dioxide equivalents.

(8) "Department" means the department of ecology.

(9) "Electric utility" means a consumer-owned utility or investor-owned utility, as those terms are defined in RCW 19.29A.010.

(10) "Greenhouse gas" has the same meaning as defined in RCW 70A.45.010.

(11) "Military tactical vehicle" means a motor vehicle owned by the United States department of defense or the United States military services and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(12) "Motor vehicle" has the same meaning as defined in RCW 46.04.320.

(13) "Price" means the amount of payment or compensation provided as consideration for a specified quantity of transportation

fuel by a consumer or end user of the transportation fuel.

(14) "Registered party" means a regulated party or credit generator registered under RCW 70A.535.070.

(15) "Regulated party" means a producer or importer of any amount of a transportation fuel that is ineligible to generate credits under this chapter.

~~((15))~~ (16) (a) "Tactical support equipment" means equipment using a portable engine, including turbines, that meets military specifications, owned by the United States military services or its allies, and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(b) "Tactical support equipment" includes, but is not limited to, engines associated with portable generators, aircraft start carts, heaters, and lighting carts.

~~((16))~~ (17) "Transportation fuel" means electricity and any liquid or gaseous fuel sold, supplied, offered for sale, or used for the propulsion of a motor vehicle or that is intended for use for transportation purposes.

Sec. 6. RCW 43.21B.110 and 2024 c 347 s 5, 2024 c 340 s 4, and 2024 c 339 s 16 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 70A.15 RCW, local health departments, the department of natural resources, the department of fish and wildlife, the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to chapter 70A.230 RCW and RCW 18.104.155, 70A.15.3160, 70A.300.090, 70A.20.050, 70A.230.020, 70A.205.280, 70A.355.070, 70A.430.070, 70A.500.260, 70A.505.100, 70A.505.110, 70A.530.040, 70A.350.070, 70A.515.060, 70A.245.040, 70A.245.050, 70A.245.070, 70A.245.080, 70A.245.130, 70A.245.140, 70A.615.200, 70A.455.090, section 3 of this act, 70A.550.030, 70A.555.110, 70A.560.020, 70A.565.030, 76.09.170, 77.55.440, 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, 18.104.130, 43.27A.190, 70A.15.2520, 70A.15.3010, 70A.15.4530, 70A.15.6010, 70A.205.280, 70A.214.140, 70A.300.120, 70A.350.070, 70A.245.020, 70A.65.200, section 3 of this act, 70A.505.100, 70A.555.110, 70A.560.020, 70A.565.030, 86.16.020, 88.46.070, 90.03.665, 90.14.130, 90.46.250, 90.48.120, 90.48.240, 90.56.330, and 90.64.040.

(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, a decision to approve or deny a solid waste management plan under RCW 70A.205.055, approval or denial of an application for a beneficial use determination under RCW 70A.205.260, an application for a change under RCW 90.03.383, or a permit to distribute reclaimed water under RCW 90.46.220.

(d) Decisions of local health departments regarding the granting or denial of solid waste permits pursuant to chapter 70A.205 RCW, including appeals by the department as provided in RCW 70A.205.130.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70A.226.090.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820.

(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 as provided in RCW 90.64.028.

(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, to issue a stop work order, to issue a notice to comply, to issue a civil penalty, or to issue a notice of intent to disapprove applications.

(l) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(m) Decisions of 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.

(n) Decisions of the department of ecology that are appealable under RCW 70A.245.020 to set recycled minimum postconsumer content for covered products or to temporarily exclude types of covered products in plastic containers from minimum postconsumer recycled content requirements.

(o) Orders by the department of ecology under RCW 70A.455.080.

(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, except where appeals to the pollution control hearings board and appeals to the shorelines hearings board have been consolidated pursuant to RCW 43.21B.340.

(b) Hearings conducted by the department pursuant to RCW 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100, 70A.15.3110, 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.

(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. 7. RCW 70A.15.3150 and 2023 c 470 s 1017 are each amended to read as follows:

(1) Any person who knowingly violates any of the provisions of this chapter, chapter 70A.25(~~(7)~~) or 70A.60(~~(7, or 70A.535)~~) RCW, or any ordinance, resolution, or regulation in force pursuant thereto is guilty of a gross misdemeanor and upon conviction thereof shall be punished by a fine of not more than (~~(ten thousand dollars)~~) \$10,000, or by imprisonment in the county jail for up to (~~(three hundred sixty-four)~~) 364 days, or by both for each separate violation.

(2) Any person who negligently releases into the ambient air any substance listed by the department of ecology as a hazardous air pollutant, other than in compliance with the terms of an applicable permit or emission limit, and who at the time negligently places another person in imminent danger of death or substantial bodily harm is guilty of a gross misdemeanor and shall, upon conviction, be punished by a fine of not more than (~~(ten thousand dollars)~~) \$10,000, or by imprisonment for up to (~~(three hundred sixty-four)~~) 364 days, or both.

(3) Any person who knowingly releases into the ambient air any substance listed by the department of ecology as a hazardous air pollutant, other than in compliance with the terms of an applicable permit or emission limit, and who knows at the time that he or she thereby places another person in imminent danger of death or substantial bodily harm, is guilty of a class C felony and shall, upon conviction, be punished by a fine of not less than (~~(fifty thousand dollars)~~) \$50,000, or by imprisonment for not more than five years, or both.

(4) Any person who knowingly fails to disclose a potential conflict of interest under RCW 70A.15.2000 is guilty of a gross misdemeanor, and upon conviction thereof shall be punished by a fine of not more than (~~(five thousand dollars)~~) \$5,000.

Sec. 8. RCW 70A.15.3160 and 2022 c 179 s 15 are each amended to read as follows:

(1)(a) Except as provided in RCW 43.05.060 through 43.05.080 and 43.05.150, and in addition to or as an alternate to any other penalty provided by law, any person who violates any of the provisions of this

chapter, chapter 70A.25, 70A.60, 70A.450, (~~(70A.535)~~) or 70A.540 RCW, RCW 76.04.205, or any of the rules in force under such chapters or section may incur a civil penalty in an amount not to exceed (~~(ten thousand dollars)~~) \$10,000 per day for each violation. Each such violation shall be a separate and distinct offense, and in case of a continuing violation, each day's continuance shall be a separate and distinct violation. Enforcement actions related to violations of RCW 76.04.205 must be consistent with the provisions of RCW 76.04.205.

(b) Any person who fails to take action as specified by an order issued pursuant to this chapter shall be liable for a civil penalty of not more than (~~(ten thousand dollars)~~) \$10,000 for each day of continued noncompliance.

(2)(a) Penalties incurred but not paid shall accrue interest, beginning on the ninety-first day following the date that the penalty becomes due and payable, at the highest rate allowed by RCW 19.52.020 on the date that the penalty becomes due and payable. If violations or penalties are appealed, interest shall not begin to accrue until the thirty-first day following final resolution of the appeal.

(b) The maximum penalty amounts established in this section may be increased annually to account for inflation as determined by the state office of the economic and revenue forecast council.

(3) Each act of commission or omission which procures, aids or abets in the violation shall be considered a violation under the provisions of this section and subject to the same penalty. The penalties provided in this section shall be imposed pursuant to RCW 43.21B.300.

(4)(a) Except as provided in (b) of this subsection, all penalties recovered under this section by the department or the department of natural resources shall be paid into the state treasury and credited to the air pollution control account established in RCW 70A.15.1010 or, if recovered by the authority, shall be paid into the treasury of the authority and credited to its funds. If a prior penalty for the same violation has been paid to a local authority, the penalty imposed by the department under subsection (1) of this section shall be reduced by the amount of the payment.

(b) All penalties recovered for violations of chapter 70A.60 RCW must be paid into the state treasury and credited to the refrigerant emission management account created in RCW 70A.60.050.

(5) To secure the penalty incurred under this section, the state or the authority shall have a lien on any vessel used or operated in violation of this chapter which shall be enforced as provided in RCW 60.36.050.

(6) Public or private entities that are recipients or potential recipients of department grants, whether for air quality related activities or not, may have such grants rescinded or withheld by the department for failure to comply with provisions of this chapter.

(7) In addition to other penalties provided by this chapter, persons knowingly underreporting emissions or other information used to set fees, or persons required to pay emission or permit fees who are more than ninety days late with such payments may be subject to a penalty equal to three times the amount of the original fee owed.

(8) The department shall develop rules for excusing excess emissions from enforcement action if such excess emissions are unavoidable. The rules shall specify the criteria and procedures for the department and local air authorities to determine whether a period of excess emissions is excusable in accordance with the state implementation plan.

Sec. 9. RCW 70A.535.130 and 2021 c 317 s 14 are each amended to read as follows:

(1) The department may require that persons that are required or elect to register or report under this chapter pay a fee. If the department elects to require program participants to pay a fee, the department must, after an opportunity for public review and comment, adopt rules to establish a process to determine the payment schedule and the amount of the fee charged. The amount of the fee must be set so as to equal but not exceed the projected direct and indirect costs to the department for developing and implementing the program and the projected direct and indirect costs to the department of commerce to carry out its responsibilities under RCW 70A.535.100. The department and the department of commerce must prepare a biennial workload analysis and provide an opportunity for public review of and comment on the workload analysis. The department shall enter into an interagency agreement with the department of commerce to implement this section.

(2) The clean fuels program account is created in the state treasury. All receipts from fees ~~((and penalties))~~ received under the program created in this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation. The department may only use expenditures from the account for carrying out the program created in this chapter.

(3) All rule making authorized under chapter 317, Laws of 2021 must be conducted according to the standards for significant legislative rules provided in RCW 34.05.328.

NEW SECTION. Sec. 10. 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."

On page 1, line 1 of the title, after "program;" strike the remainder of the title and insert "amending RCW 70A.535.025, 70A.535.060, 70A.15.3150, 70A.15.3160, and 70A.535.130; reenacting and amending RCW 70A.535.010 and 43.21B.110; adding new sections to chapter 70A.535 RCW; and prescribing penalties."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

MOTION

Representative Fitzgibbon moved that the House concur with the Senate amendment(s) to SECOND SUBSTITUTE HOUSE BILL NO. 1409.

Representative Fitzgibbon spoke in favor of the passage of the bill.

Representative Dye spoke against the passage of the bill.

MOTION

On motion of Representative Ramel, Representative Lekanoff was excused.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the motion to concur in the Senate amendment(s) to Second Substitute House Bill No. 1409, and the motion carried by the following vote: Yeas, 54; Nays, 43; Absent, 0; Excused, 1

Voting Yea: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

Representative Fitzgibbon spoke in favor of the passage of the bill.

Representatives Dye and Walsh spoke against the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1409, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1409, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 54; Nays, 43; Absent, 0; Excused, 1

Voting Yea: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers,

Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

SECOND SUBSTITUTE HOUSE BILL NO. 1409, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Friday, April 11, 2025

Mme. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1651, with the following amendment(s): 1651-S.E AMS EDU S2345.2

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 28A.410 RCW to read as follows:

(1) A teacher residency is a teacher preparation model that integrates a full year of collaborative hands-on classroom teaching with an experienced preservice mentor with concurrent, targeted academic coursework, designed to develop effective, community-focused teachers. This collaborative model is offered by a public elementary or secondary school and a board-approved teacher preparation program.

(2) At a minimum, a teacher residency model must meet the following requirements:

(a) It must be operated as a formal partnership between a school district, charter school, or state-tribal education compact school and a board-approved teacher preparation program;

(b) The partners must collaboratively design the coursework to align with the unique context of each resident's classroom and to the context and priorities of the elementary or secondary school, and school district if applicable;

(c) Each resident must be assigned to at least one preservice mentor, who must co-teach with the resident, throughout the resident's preservice clinical practice;

(d) Each resident must receive at least 900 hours of preservice clinical practice over the course of one school year;

(e) Each resident must be grouped into a cohort based on geography, specialty, or other relevant criteria determined by the board;

(f) Funding must be provided to each resident;

(g) A stipend must be provided to each preservice mentor; and

(h) Any state funds provided for the support of teacher residencies must be used in conformance with RCW 42.17A.550 and 29B.40.250 and be provided solely for the exclusive support and operations of the teacher residency model.

(3) For purposes of this section, the following definitions apply:

(a) "Board" means the Washington professional educator standards board.

(b) "Cohort" means a group of residents enrolled in the same board-approved teacher preparation program who begin their

residencies at the same time and have the same anticipated completion date.

(c) "Preservice mentor" means a teacher qualified to be a mentor for the beginning educator support team program under RCW 28A.415.265.

(d) "Resident" means a person enrolled in a board-approved teacher preparation program who is participating in a teacher residency model.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.410 RCW to read as follows:

(1) A teacher apprenticeship model is a teacher preparation program approved by both the Washington state apprenticeship and training council under chapter 49.04 RCW and the Washington professional educator standards board under RCW 28A.410.210. In addition to meeting other requirements, the program must provide the apprentice with 2,000 hours of on-the-job mentored teaching experience under a gradual release method. Up to 540 hours working as a paraeducator may count towards the minimum on-the-job requirement. Any state funds provided for the support of teacher apprenticeships must be used in conformance with RCW 42.17A.550 and 29B.40.250 and be provided solely for the exclusive support and operations of the registered apprenticeship program.

(2) Beginning September 1, 2025, before applying to the Washington state apprenticeship and training council to operate a teacher apprenticeship model, an entity must be approved by the Washington professional educator standards board as a teacher preparation program.

(3) Beginning September 1, 2025, before an entity approved under subsection (1) of this section may add or change a school district, charter school, or state-tribal education compact school partner, the entity must receive approval for the change or addition from the Washington professional educator standards board.

NEW SECTION. Sec. 3. A new section is added to chapter 49.04 RCW to read as follows:

A teacher apprenticeship program must meet the requirements in section 2 of this act."

On page 1, line 1 of the title, after "programs;" strike the remainder of the title and insert "adding new sections to chapter 28A.410 RCW; and adding a new section to chapter 49.04 RCW."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

MOTION

Representative Santos moved that the House concur with the Senate amendment(s) to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1651.

Representatives Santos and Ortiz-Self spoke in favor of the passage of the bill.

Representatives Rude and Rude (again) spoke against the passage of the bill.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the motion to concur in the Senate amendment(s) to Engrossed Substitute House Bill No. 1651, and the motion carried by the following vote: Yeas, 58; Nays, 39; Absent, 0; Excused, 1

Voting Yea: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Penner, Rude, Schmick, Schmidt, Steele, Stokesbary, Stuebe, Volz, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

Representatives Ortiz-Self and Santos spoke in favor of the passage of the bill.

Representatives Rude and Walsh spoke against the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1651, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1651, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 58; Nays, 39; Absent, 0; Excused, 1

Voting Yea: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Penner, Rude, Schmick, Schmidt, Steele, Stokesbary, Stuebe, Volz, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1651, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Monday, April 14, 2025

Mme. Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1232, with the following amendment(s): 1232-S.E AMS CHRI S2843.1

On page 6, line 1, after "(5)" insert "(a)"

On page 6, after line 3, insert the following:

"(b) The department of labor and industries shall post the inspection results on its website and in a conspicuous place viewable by detained persons and visitors to private detention facilities. Results should be posted in English and in languages spoken by detainees, to the extent practicable."

On page 7, at the beginning of line 8, strike "As resources allow, the" and insert "The"

On page 7, line 12, after "internet" insert "in accordance with the requirements of RCW 70.395.050 and section 4 of this act"

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1232 and asked the Senate to recede therefrom.

MESSAGE FROM THE SENATE

Thursday, April 17, 2025

Mme. Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5161 and asks the House for a Conference thereon. The President has appointed the following members as Conferees: Liias, King, Ramos

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House granted the Senate's request for a Conference on ENGROSSED SUBSTITUTE SENATE BILL NO. 5161. The Speaker (Representative Timmons presiding) appointed the following members as Conferees: Representatives Fey, Donaghy, and Barkis.

MESSAGE FROM THE SENATE

Thursday, April 3, 2025

Mme. Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5167 and asks the House for a Conference thereon. The President has appointed the following members as Conferees: Gildon, Robinson, Stanford

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House granted the Senate's request for a Conference on ENGROSSED SUBSTITUTE SENATE BILL NO. 5167. The Speaker (Representative Timmons presiding) appointed the following members as Conferees: Representatives Ormsby, Macri, and Couture.

MESSAGE FROM THE SENATE

Monday, April 14, 2025

Mme. Speaker:

The Senate has passed HOUSE BILL NO. 1109, with the following amendment(s): 1109 AMS WM S2664.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 82.14.390 and 2017 c 164 s 1 are each amended to read as follows:

(1) Except as provided in subsection (7) of this section, the governing body of a public facilities district (a) created before July 31, 2002, under chapter 35.57 or 36.100 RCW that commenced construction of at least one new regional center, or improvement or rehabilitation of an existing new regional center, before January 1, 2004; (b) created before July 1, 2006, under chapter 35.57 RCW in a county or counties in which there are no other public facilities districts on June 7, 2006, and in which the total population in the public facilities district is greater than ninety thousand that commenced construction of a new regional center before February 1, 2007; (c) created under the authority of RCW 35.57.010(1)(d); or (d) created before September 1, 2007, under chapter 35.57 or 36.100 RCW, in a county or counties in which there are no other public facilities districts on July 22, 2007, and in which the total population in the public facilities district is greater than seventy thousand, that commenced construction of a new regional center before January 1, 2009, or before January 1, 2011, in the case of a new regional center in a county designated by the president as a disaster area in December 2007, may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the public facilities district. The rate of tax may not exceed 0.033 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax.

(2)(a) The governing body of a public facilities district imposing a sales and use tax under the authority of this section may increase the rate of tax up to 0.037 percent if, within three fiscal years of July 1, 2008, the department determines that, as a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020, a public facilities district's sales and use tax collections for fiscal years after July 1, 2008, have been reduced by a net loss of at least 0.50 percent from the fiscal year before July 1, 2008. The fiscal year in which this section becomes effective is the first fiscal year after July 1, 2008.

(b) The department must determine sales and use tax collection net losses under this section ~~((as provided in RCW 82.14.500 (2) and (3))~~). The department must provide written notice of its determinations to

public facilities districts. Determinations by the department of a public facilities district's sales and use tax collection net losses as a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020 are final and not appealable.

(c) A public facilities district may increase its rate of tax after it has received written notice from the department as provided in (b) of this subsection. The increase in the rate of tax must be made in 0.001 percent increments and must be the least amount necessary to mitigate the net loss in sales and use tax collections as a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020. The increase in the rate of tax is subject to RCW 82.14.055.

(3) The tax imposed under subsection (1) of this section must be deducted from the amount of tax otherwise required to be collected or paid over to the department of revenue under chapter 82.08 or 82.12 RCW. The department of revenue must perform the collection of such taxes on behalf of the county at no cost to the public facilities district. During the 2011-2013 fiscal biennium, distributions by the state to a public facilities district based on the additional rate authorized in subsection (2) of this section must be reduced by 3.4 percent.

(4) No tax may be collected under this section before August 1, 2000. The tax imposed in this section expires when bonds issued to finance or refinance the construction, improvement, rehabilitation, or expansion of ~~((the))~~ a regional center and related parking facilities are retired, but not more than ~~((forty))~~ 55 years after the tax is first collected.

(5) Moneys collected under this section may only be used for the purposes set forth in RCW 35.57.020 and must be matched with an amount from other public or private sources equal to thirty-three percent of the amount collected under this section; however, amounts generated from nonvoter approved taxes authorized under chapter 35.57 RCW or nonvoter approved taxes authorized under chapter 36.100 RCW do not constitute a public or private source. For the purpose of this section, public or private sources includes, but is not limited to cash or in-kind contributions used in all phases of the development or improvement of the regional center, land that is donated and used for the siting of the regional center, cash or in-kind contributions from public or private foundations, or amounts attributed to private sector partners as part of a public and private partnership agreement negotiated by the public facilities district.

(6) The combined total tax levied under this section may not be greater than 0.037 percent. If both a public facilities district created under chapter 35.57 RCW and a public facilities district created under chapter 36.100 RCW impose a tax under this section, the tax imposed by a public facilities district created under chapter 35.57 RCW must be credited against the tax imposed by a public facilities district created under chapter 36.100 RCW.

(7) A public facilities district created under chapter 36.100 RCW is not eligible to

impose the tax under this section if the legislative authority of the county where the public facilities district is located has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

Sec. 2. RCW 82.14.485 and 2017 c 164 s 2 are each amended to read as follows:

(1) In a county with a population under three hundred thousand, the governing body of a public facilities district, which is created before August 1, 2001, under chapter 35.57 RCW or before January 1, 2000, under chapter 36.100 RCW, in which the total population in the public facilities district is greater than ninety thousand and less than one hundred thousand that commences improvement or rehabilitation of an existing regional center, to be used for community events, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances and having two thousand or fewer permanent seats, before January 1, 2009, may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the public facilities district. The rate of tax for a public facilities district created prior to August 1, 2001, under chapter 35.57 RCW, may not exceed 0.025 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax. The rate of tax, for a public facilities district created prior to January 1, 2000, under chapter 36.100 RCW, may not exceed 0.020 percent of the selling price in the case of a sales tax or the value of the article used in the case of a use tax.

(2) The tax imposed under subsection (1) of this section must be deducted from the amount of tax otherwise required to be collected or paid over to the department under chapter 82.08 or 82.12 RCW. The department must perform the collection of such taxes on behalf of the county at no cost to the public facilities district.

(3) The tax imposed in this section expires when bonds issued to finance or refinance the construction, improvement, rehabilitation, or expansion of ~~((the))~~ a regional center and related parking facilities are retired, but not more than ~~((forty))~~ 55 years after the tax is first collected.

(4) Moneys collected under this section may only be used for the purposes set forth in RCW 35.57.020 and must be matched with an amount from other public or private sources equal to thirty-three percent of the amount collected under this section, provided that amounts generated from nonvoter-approved taxes authorized under chapter 35.57 RCW may not constitute a public or private source. For the purpose of this section, public or private sources include, but are not limited to cash or in-kind contributions used in all phases of the development or improvement of the regional center, land that is donated and used for the siting of the regional center, cash or in-kind contributions from

public or private foundations, or amounts attributed to private sector partners as part of a public and private partnership agreement negotiated by the public facilities district."

On page 1, line 1 of the title, after "districts;" strike the remainder of the title and insert "and amending RCW 82.14.390 and 82.14.485."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1109 and advanced the bill, as amended by the Senate, to final passage.

Representatives Ryu and Orcutt spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of House Bill No. 1109, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1109, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 90; Nays, 7; Absent, 0; Excused, 1

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Branoske, Burnett, Calder, Callan, Chase, Connors, Corry, Cortes, Davis, Dent, Doglio, Donaghy, Duerr, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Marshall, McClintock, McEntire, Mena, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Walsh, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Voting Nay: Representatives Couture, Dufault, Graham, Griffey, Mendoza, Schmidt and Volz

Excused: Representative Lekanoff

HOUSE BILL NO. 1109, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Tuesday, April 15, 2025

Mme. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1596, with the following amendment(s): 1596-S.E AMS MACE S3044.1; 1596-S.E AMS LOVI S3020.1; 1596-S.E AMS LIIA S2929.1; 1596-S.E AMS MACE S2890.1

On page 4, after line 21, insert the following:

"(c) All data collected under this act must be securely maintained by an intelligent speed assistance device company and may not be shared with any third parties, except for data pertaining to installation and removal of the device, without a court order."

On page 17, after line 5, insert the following:

"NEW SECTION. Sec. 15. This act may be known and cited as the BEAM act."

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

On page 1, beginning on line 6 of the title, after "creating" strike "a new section" and insert "new sections"

On page 17, line 8, after "effect" strike "July 1, 2028" and insert "January 1, 2029"

On page 5, after line 13, insert the following:

"NEW SECTION. Sec. 7. A new section is added to chapter 42.56 RCW to read as follows:

Any data collected by an intelligent speed assistance device as defined in section 3 of this act is exempt from disclosure under this chapter."

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

On page 1, line 4 of the title, after "46.04 RCW;" insert "adding a new section to chapter 42.56 RCW;"

and the same are herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1596 and advanced the bill, as amended by the Senate, to final passage.

Representatives Leavitt and Griffey spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1596, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1596, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 80; Nays, 17; Absent, 0; Excused, 1

Voting Yea: Representatives Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Caldier, Callan, Connors, Cortes, Couture, Davis, Doglio, Donaghy, Duerr, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Griffey, Hackney, Hill, Hunt, Jacobsen, Keaton, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Mena, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Burnett, Chase, Corry, Dent, Dufault, Dye, Graham, Klicker, Marshall, McClintock, McEntire, Mendoza, Rude, Schmick, Volz and Walsh
Excused: Representative Lekanoff

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1596, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Wednesday, March 26, 2025

Mme. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1621, with the following amendment(s): 1621-S AMS HSG S2379.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that nearly 40 percent of Washington households are renter households. Washington is one of the most expensive rental markets in the country. Rent increases are outpacing incomes, disproportionately impacting: Seniors; Black, indigenous, and people of color households; and families with children, and are a significant cause of homelessness. As of November 2024, Washington was experiencing the highest eviction filing count on record, with 23,000 filings and with nine counties already breaking records, including Clark, Grant, Jefferson, King, Klickitat, Okanogan, Spokane, Thurston, and Whitman. Seven additional counties were also on track to break records in 2024, including Asotin, Columbia, Douglas, Kittitas, Pend Oreille, Skagit and Walla Walla.

A significant surge in unlawful detainer filings has contributed to delays in court proceedings and case resolutions, creating additional burdens for both landlords and tenants.

The legislature further finds that the right to counsel program in eviction proceedings provides a vital safety net for low-income renters, providing access to attorneys to ensure procedural fairness in court and significantly reducing the risk of housing loss and evictions into homelessness. Since January 2022, every tenant screened and found eligible has been assigned an attorney through an eviction defense provider contracted by the office of civil legal aid. Of the clients served, 39 percent had a disability and 45 percent were Black, indigenous, and people of color.

It is the intent of the legislature to address delays in court proceedings by authorizing superior courts, with the consent of the county legislative authority, to appoint well-trained and unbiased court commissioners who can hear unlawful detainer cases.

The legislature respectfully requests that superior courts continue to closely coordinate their dockets with right to counsel assignments for eligible defendants in unlawful detainer cases, and encourages the courts to give consideration to the availability of right to counsel attorneys when expanding their dockets.

NEW SECTION. Sec. 2. A new section is added to chapter 59.18 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, in each county the superior court may appoint the following persons to assist the superior court in disposing of its business related to unlawful detainer actions for residential tenancies covered by this chapter and chapter 59.20 RCW:

(a) One or more attorneys to act as housing court commissioners; and

(b) Such investigators, stenographers, and clerks as the court finds necessary to carry on the work of the housing court commissioners.

(2) The position of a housing court commissioner may not be created without prior consent of the county legislative authority.

(3) The appointments provided for in this section are made by a majority vote of the judges of the superior court of the county and may be in addition to all other appointments of commissioners and other judicial attaches otherwise authorized by law.

(4) The appointments may be full-time or part-time positions. A person appointed as a housing court commissioner may also be appointed to any other commissioner position authorized by law.

(5) Housing court commissioners and investigators serve at the pleasure of the judges appointing them and receive such compensation as the county legislative authority shall determine.

(6) A person appointed as a housing court commissioner shall comply with the fairness and impartiality standards established in RCW 3.34.110.

(7)(a) A person appointed as a housing court commissioner will receive training as soon as reasonably practicable but no sooner than July 26, 2025, from the administrative office of the courts on the following topics:

(i) The residential landlord-tenant act, this chapter;

(ii) The manufactured/mobile home landlord-tenant act, chapter 59.20 RCW;

(iii) Show cause hearing processes in the context of evictions and unlawful detainer actions; and

(iv) Unlawful detainer procedures, chapter 59.16 RCW.

(b) The administrative office of the courts may coordinate with the office of civil legal aid to develop and deliver the training described in (a) of this subsection.

NEW SECTION. Sec. 3. A new section is added to chapter 59.18 RCW to read as follows:

(1) By majority vote, the judges of the superior court of the county may authorize housing court commissioners appointed pursuant to section 2 of this act to perform any and all of the following duties in an unlawful detainer action under this chapter:

(a) Receive all applications, petitions, and proceedings filed in the superior court related to unlawful detainer actions for

residential tenancies covered by this chapter;

(b) Order investigation and reporting of facts upon which to base warrants, subpoenas, orders, or directions in actions or proceedings related to unlawful detainer actions for residential tenancies covered by this chapter;

(c) For the purpose of this chapter, exercise all powers and perform all the duties of a court commissioner appointed pursuant to RCW 2.24.010(1);

(d) Hold hearings in proceedings related to unlawful detainer cases for residential tenancies covered by this chapter and make written reports of all such proceedings, which shall become a part of the record of the superior court;

(e) Provide such supervision in connection with the exercise of its jurisdiction as may be ordered by the presiding judge; and

(f) Cause the orders and findings to be entered in the same manner as orders and findings are entered in cases in the superior court.

(2) All acts and proceedings of a housing court commissioner are subject to revision by the superior court as provided in RCW 2.24.050.

NEW SECTION. Sec. 4. A new section is added to chapter 59.20 RCW to read as follows:

(1) By majority vote, the judges of the superior court of the county may authorize housing court commissioners appointed pursuant to section 2 of this act to perform any and all of the following duties in an unlawful detainer action under this chapter:

(a) Receive all applications, petitions, and proceedings filed in the superior court related to unlawful detainer actions for residential tenancies covered by this chapter;

(b) Order investigation and reporting of facts upon which to base warrants, subpoenas, orders, or directions in actions or proceedings related to unlawful detainer actions for residential tenancies covered by this chapter;

(c) For the purpose of this chapter, exercise all powers and perform all the duties of a court commissioner appointed pursuant to RCW 2.24.010(1);

(d) Hold hearings in proceedings related to unlawful detainer cases for residential tenancies covered by this chapter and make written reports of all such proceedings, which shall become a part of the record of the superior court;

(e) Provide such supervision in connection with the exercise of its jurisdiction as may be ordered by the presiding judge; and

(f) Cause the orders and findings to be entered in the same manner as orders and findings are entered in cases in the superior court.

(2) All acts and proceedings of a housing court commissioner are subject to revision by the superior court as provided in RCW 2.24.050.

NEW SECTION. **Sec. 5.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 3 of the title, after "commissioners;" strike the remainder of the title and insert "adding new sections to chapter 59.18 RCW; adding a new section to chapter 59.20 RCW; creating a new section; and declaring an emergency."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1621 and advanced the bill, as amended by the Senate, to final passage.

Representatives Peterson, Walsh and Barkis spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1621, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1621, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Chase, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dufault, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Graham, Gregerson, Griffey, Hackney, Hill, Hunt, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Marshall, McClintock, McEntire, Mena, Mendoza, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Volz, Walen, Walsh, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Excused: Representative Lekanoff

SUBSTITUTE HOUSE BILL NO. 1621, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Monday, April 14, 2025

Mme. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1946, with the following amendment(s): 1946-S.E AMS LOVE S2733.1

On page 3, line 15, after "lands" insert "within the county"

On page 6, line 9, after "lands" insert "within the county"

On page 9, line 10, after "lands" insert "within the health district"

On page 12, line 21, after "lands" insert "within the county"

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1946 and advanced the bill, as amended by the Senate, to final passage.

Representative Hill spoke in favor of the passage of the bill.

Representative Klicker spoke against the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1946, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1946, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 59; Nays, 38; Absent, 0; Excused, 1

Voting Yea: Representatives Barkis, Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Penner, Rude, Schmick, Schmidt, Steele, Stokesbary, Stuebe, Volz, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1946, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Wednesday, April 16, 2025

Mme. Speaker:

The Senate has passed HOUSE BILL NO. 1970, with the following amendment(s): 1970 AMS TRAN S2776.1

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 39.10.270 and 2019 c 212 s 3 are each amended to read as follows:

(1) A public body may apply for certification to use the design-build or general contractor/construction manager contracting procedure, or both. Once certified, a public body may use the contracting procedure for which it is

certified on individual projects without seeking committee approval for a period of three years. A public body seeking certification must submit to the committee an application in a format and manner as prescribed by the committee. The application must include a description of the public body's qualifications, its capital plan during the certification period, and its intended use of alternative contracting procedures.

(2) A public body seeking certification for the design-build procedure must demonstrate successful management of at least one design-build project within the previous five years. A public body seeking certification for the general contractor/construction manager procedure must demonstrate successful management of at least one general contractor/construction manager project within the previous five years.

(3) To certify a public body, the committee shall determine that the public body:

(a) Has the necessary experience and qualifications to determine which projects are appropriate for using alternative contracting procedures;

(b) Has the necessary experience and qualifications to carry out the alternative contracting procedure including, but not limited to: (i) Project delivery knowledge and experience; (ii) personnel with appropriate construction experience; (iii) a management plan and rationale for its alternative public works projects; (iv) demonstrated success in managing public works projects; (v) the ability to properly manage its capital facilities plan including, but not limited to, appropriate project planning and budgeting experience; and (vi) the ability to meet requirements of this chapter; and

(c) Has resolved any audit findings on previous public works projects in a manner satisfactory to the committee.

(4) The committee shall make its determination at the public meeting during which an application for certification is reviewed. Public comments must be considered before a determination is made. Within ~~((ten))~~ 10 business days of the public meeting, the committee shall provide a written determination to the public body, and make its determination available to the public on the committee's website.

(5) The committee may revoke any public body's certification upon a finding, after a public hearing, that its use of design-build or general contractor/construction manager contracting procedures no longer serves the public interest.

(6) The committee may renew the certification of a public body for additional three-year periods. The public body must submit an application for recertification at least three months before the initial certification expires. The committee may accept late applications, if administratively feasible, to avoid expiration of certification on a case-by-case basis. The application shall include updated information on the public body's experience and current staffing with the procedure it is applying to renew, and any

other information requested in advance by the committee. The committee must review the application for recertification at a meeting held before expiration of the applicant's initial certification period. A public body must reapply for certification under the process described in subsection (1) of this section once the period of recertification expires.

(7) Certified public bodies must submit project data information as required in RCW 39.10.320 and 39.10.350.

(8) The department of transportation is not subject to the certification requirements under this section to use the design-build procedure, progressive design-build procedure, or any general contractor/construction manager contracting procedure on individual projects.

Sec. 2. RCW 39.10.280 and 2014 c 42 s 2 are each amended to read as follows:

(1) A public body not certified under RCW 39.10.270 must apply for approval from the committee to use the design-build or general contractor/construction manager contracting procedure on a project. A public body seeking approval must submit to the committee an application in a format and manner as prescribed by the committee. The application must include a description of the public body's qualifications, a description of the project, the public body's intended use of alternative contracting procedures, and, if applicable, a declaration that the public body has elected to procure the project as a heavy civil construction project.

(2) To approve a proposed project, the committee shall determine that:

(a) The alternative contracting procedure will provide a substantial fiscal benefit or the use of the traditional method of awarding contracts in lump sum to the low responsive bidder is not practical for meeting desired quality standards or delivery schedules;

(b) The proposed project meets the requirements for using the alternative contracting procedure as described in RCW 39.10.300 or 39.10.340;

(c) The public body has the necessary experience or qualified team to carry out the alternative contracting procedure including, but not limited to: (i) Project delivery knowledge and experience; (ii) sufficient personnel with construction experience to administer the contract; (iii) a written management plan that shows clear and logical lines of authority; (iv) the necessary and appropriate funding and time to properly manage the job and complete the project; (v) continuity of project management team, including personnel with experience managing projects of similar scope and size to the project being proposed; and (vi) necessary and appropriate construction budget;

(d) For design-build projects, public body personnel or consultants are knowledgeable in the design-build process and are able to oversee and administer the contract; and

(e) The public body has resolved any audit findings related to previous public

works projects in a manner satisfactory to the committee.

(3) The committee shall, if practicable, make its determination at the public meeting during which a submittal is reviewed. Public comments must be considered before a determination is made.

(4) Within ~~((ten))~~ 10 business days after the public meeting, the committee shall provide a written determination to the public body, and make its determination available to the public on the committee's website. If the committee fails to make a written determination within ~~((ten))~~ 10 business days of the public meeting, the request of the public body to use the alternative contracting procedure on the requested project shall be deemed approved.

(5) Failure of the committee to meet within sixty calendar days of a public body's application to use an alternative contracting procedure on a project shall be deemed an approval of the application.

(6) Except as provided in RCW 47.20.785(2), the department of transportation is not subject to the project approval requirements under this section.

Sec. 3. RCW 47.20.780 and 2015 3rd sp.s. c 18 s 1 are each amended to read as follows:

(1) The department of transportation shall develop a process for awarding competitively bid highway construction contracts for projects ~~((over two million dollars))~~ that may be constructed using a design-build procedure, a progressive design-build procedure, or any general contractor/construction manager procedure.

(2) As used in this section and RCW 47.20.785 ~~((, "design-build"))~~:

(a) "Design-build procedure" means a method of contracting under which the department of transportation contracts with another party for the party to both design and build the structures, facilities, and other items specified in the contract.

~~((The process developed by the department must, at a minimum, include the scope of services required under the design-build procedure, contractor prequalification requirements, criteria for evaluating technical information and project costs, contractor selection criteria, and issue resolution procedures.))~~ (b) "General contractor/construction manager procedure" means a method of contracting under which the department of transportation selects a firm to provide services during the design phase, negotiate a maximum allowable construction cost, and act as construction manager and general contractor during the construction phase.

(c) "Progressive design-build procedure" means a method of contracting under which the department of transportation selects a design-builder before the establishment of a final project design, price, and schedule, and thereafter, the department and design-builder collaborate to develop a final project scope, schedule, and price.

Sec. 4. RCW 47.20.785 and 2015 3rd sp.s. c 18 s 2 are each amended to read as follows:

(1) The department of transportation is authorized ~~((and strongly encouraged))~~ to use the design-build procedure, progressive design-build procedure, and any general contractor/construction manager procedure for public works projects ~~((over two million dollars when:~~

~~((1) The construction activities are highly specialized and a design-build approach is critical in developing the construction methodology; or~~

~~((2) The projects selected provide opportunity for greater innovation and efficiencies between the designer and the builder; or~~

~~((3) Significant savings in project delivery time would be realized)).~~

(2) For the first three general contractor/construction manager projects that the department delivers, the department shall pursue approval in accordance with RCW 39.10.280. After three such approvals have been granted, the department is not subject to the approval requirements of RCW 39.10.280.

Sec. 5. RCW 43.131.408 and 2023 c 395 s 36 are each amended to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, 2032:

(1) RCW 39.10.200 and 2023 c 395 s 4, 2010 1st sp.s. c 21 s 2, 2007 c 494 s 1, & 1994 c 132 s 1;

(2) RCW 39.10.210 and 2023 c 395 s 5, 2021 c 230 s 1, 2019 c 212 s 1, 2014 c 42 s 1, & 2013 c 222 s 1;

(3) RCW 39.10.220 and 2023 c 395 s 6, 2021 c 230 s 2, 2013 c 222 s 2, 2007 c 494 s 102, & 2005 c 377 s 1;

(4) RCW 39.10.230 and 2023 c 395 s 7, 2021 c 230 s 3, 2013 c 222 s 3, 2010 1st sp.s. c 21 s 3, 2009 c 75 s 1, 2007 c 494 s 103, & 2005 c 377 s 2;

(5) RCW 39.10.240 and 2023 c 395 s 8, 2021 c 230 s 4, 2013 c 222 s 4, & 2007 c 494 s 104;

(6) RCW 39.10.250 and 2021 c 230 s 5, 2019 c 212 s 2, 2013 c 222 s 5, 2009 c 75 s 2, & 2007 c 494 s 105;

(7) RCW 39.10.260 and 2013 c 222 s 6 & 2007 c 494 s 106;

(8) RCW 39.10.270 and 2025 c . . . s 1 (section 1 of this act), 2019 c 212 s 3, 2017 c 211 s 1, 2013 c 222 s 7, 2009 c 75 s 3, & 2007 c 494 s 107;

(9) RCW 39.10.280 and 2025 c . . . s 2 (section 2 of this act), 2014 c 42 s 2, 2013 c 222 s 8, & 2007 c 494 s 108;

(10) RCW 39.10.290 and 2007 c 494 s 109;

(11) RCW 39.10.300 and 2021 c 230 s 6, 2019 c 212 s 4, 2013 c 222 s 9, 2009 c 75 s 4, & 2007 c 494 s 201;

(12) RCW 39.10.320 and 2019 c 212 s 5, 2013 c 222 s 10, 2007 c 494 s 203, & 1994 c 132 s 7;

(13) RCW 39.10.330 and 2023 c 395 s 9, 2021 c 230 s 7, 2019 c 212 s 6, 2014 c 19 s 1, 2013 c 222 s 11, 2009 c 75 s 5, & 2007 c 494 s 204;

(14) RCW 39.10.340 and 2014 c 42 s 3, 2013 c 222 s 12, & 2007 c 494 s 301;

(15) RCW 39.10.350 and 2021 c 230 s 8, 2014 c 42 s 4, & 2007 c 494 s 302;

(16) RCW 39.10.360 and 2023 c 395 s 10, 2021 c 230 s 9, 2014 c 42 s 5, 2013 c 222 s 13, 2009 c 75 s 6, & 2007 c 494 s 303;

(17) RCW 39.10.370 and 2021 c 230 s 10, 2014 c 42 s 6, & 2007 c 494 s 304;

(18) RCW 39.10.380 and 2023 c 395 s 11, 2021 c 230 s 11, 2013 c 222 s 14, & 2007 c 494 s 305;

(19) RCW 39.10.385 and 2023 c 395 s 12, 2021 c 230 s 12, 2013 c 222 s 15, & 2010 c 163 s 1;

(20) RCW 39.10.390 and 2021 c 230 s 13, 2014 c 42 s 7, 2013 c 222 s 16, & 2007 c 494 s 306;

(21) RCW 39.10.400 and 2021 c 230 s 14, 2013 c 222 s 17, & 2007 c 494 s 307;

(22) RCW 39.10.410 and 2007 c 494 s 308;

(23) RCW 39.10.420 and 2019 c 212 s 7, 2017 c 136 s 1, & 2016 c 52 s 1;

(24) RCW 39.10.430 and 2021 c 230 s 15, 2019 c 212 s 8, & 2007 c 494 s 402;

(25) RCW 39.10.440 and 2021 c 230 s 16, 2019 c 212 s 9, 2015 c 173 s 1, 2013 c 222 s 19, & 2007 c 494 s 403;

(26) RCW 39.10.450 and 2019 c 212 s 10, 2012 c 102 s 2, & 2007 c 494 s 404;

(27) RCW 39.10.460 and 2021 c 230 s 17, 2012 c 102 s 3, & 2007 c 494 s 405;

(28) RCW 39.10.470 and 2019 c 212 s 11, 2014 c 19 s 2, 2005 c 274 s 275, & 1994 c 132 s 10;

(29) RCW 39.10.480 and 1994 c 132 s 9;

(30) RCW 39.10.490 and 2021 c 230 s 18, 2013 c 222 s 20, 2007 c 494 s 501, & 2001 c 328 s 5;

(31) RCW 39.10.900 and 1994 c 132 s 13;

(32) RCW 39.10.901 and 1994 c 132 s 14;

(33) RCW 39.10.903 and 2007 c 494 s 510;

(34) RCW 39.10.904 and 2007 c 494 s 512;

(35) RCW 39.10.905 and 2007 c 494 s 513; and

(36) RCW 39.10.908 and 2023 c 395 s 13 and 2021 c 230 s 19.

NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 2 of the title, after "procedures;" strike the remainder of the title and insert "amending RCW 39.10.270, 39.10.280, 47.20.780, 47.20.785, and 43.131.408; and declaring an emergency."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1970 and advanced the bill, as amended by the Senate, to final passage.

Representatives Zahn and Barkis spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of House Bill No. 1970, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1970, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Chase, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dufault, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Graham, Gregerson, Griffey, Hackney, Hill, Hunt, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Marshall, McClintock, McEntire, Mena, Mendoza, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Volz, Walen, Walsh, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Excused: Representative Lekanoff

HOUSE BILL NO. 1970, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Wednesday, April 16, 2025

Mme. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1811, with the following amendment(s): 1811-S AMS ENGR S2803.E

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The goals of co-response are to de-escalate situations, divert people from criminal justice and emergency medical systems, and bring medical and behavioral health care into the field to serve vulnerable populations.

Co-responders play a critical role in Washington's emergency response landscape, promoting a crisis care delivery system that appropriately responds to behavioral health emergencies and adapts to complex needs at the nexus of health and behavioral health. As Washington's crisis care delivery system continues to evolve, co-responders should be integrated into new and existing programs and legal frameworks in a way that consistently reflects their contributions to the health and well-being of the people of Washington and provides the necessary support for them to continue their critical work.

Sec. 2. RCW 71.24.025 and 2024 c 368 s 2, 2024 c 367 s 1, and 2024 c 121 s 25 are each reenacted and amended to read as follows:

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

(1) "23-hour crisis relief center" means a community-based facility or portion of a facility which is licensed or certified by the department of health and open 24 hours a day, seven days a week, offering access to mental health and substance use care for no more than 23 hours and 59 minutes at a time per patient, and which accepts all

behavioral health crisis walk-ins drop-offs from first responders, and individuals referred through the 988 system regardless of behavioral health acuity, and meets the requirements under RCW 71.24.916.

(2) "988 crisis hotline" means the universal telephone number within the United States designated for the purpose of the national suicide prevention and mental health crisis hotline system operating through the national suicide prevention lifeline.

(3) "Acutely mentally ill" means a condition which is limited to a short-term severe crisis episode of:

(a) A mental disorder as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020;

(b) Being gravely disabled as defined in RCW 71.05.020 or, in the case of a child, a gravely disabled minor as defined in RCW 71.34.020; or

(c) Presenting a likelihood of serious harm as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

(4) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(5) "Approved substance use disorder treatment program" means a program for persons with a substance use disorder provided by a treatment program licensed or certified by the department as meeting standards adopted under this chapter.

(6) "Authority" means the Washington state health care authority.

(7) "Available resources" means funds appropriated for the purpose of providing community behavioral health programs, federal funds, except those provided according to Title XIX of the Social Security Act, and state funds appropriated under this chapter or chapter 71.05 RCW by the legislature during any biennium for the purpose of providing residential services, resource management services, community support services, and other behavioral health services. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals.

(8) "Behavioral health administrative services organization" means an entity contracted with the authority to administer behavioral health services and programs under RCW 71.24.381, including crisis services and administration of chapter 71.05 RCW, the involuntary treatment act, for all individuals in a defined regional service area.

(9) "Behavioral health aide" means a counselor, health educator, and advocate who helps address individual and community-based behavioral health needs, including those related to alcohol, drug, and tobacco abuse as well as mental health problems such as grief, depression, suicide, and related issues and is certified by a community health aide program of the Indian health

service or one or more tribes or tribal organizations consistent with the provisions of 25 U.S.C. Sec. 16161 and RCW 43.71B.010 (7) and (8).

(10) "Behavioral health provider" means a person licensed under chapter 18.57, 18.71, 18.71A, 18.83, 18.205, 18.225, or 18.79 RCW, as it applies to registered nurses and advanced practice registered ~~((nurse practitioners))~~ nurses.

(11) "Behavioral health services" means mental health services, substance use disorder treatment services, and co-occurring disorder treatment services as described in this chapter and chapter 71.36 RCW that, depending on the type of service, are provided by licensed or certified behavioral health agencies, behavioral health providers, or integrated into other health care providers.

(12) "Child" means a person under the age of 18 years.

(13) "Chronically mentally ill adult" or "adult who is chronically mentally ill" means an adult who has a mental disorder and meets at least one of the following criteria:

(a) Has undergone two or more episodes of hospital care for a mental disorder within the preceding two years; or

(b) Has experienced a continuous behavioral health hospitalization or residential treatment exceeding six months' duration within the preceding year; or

(c) Has been unable to engage in any substantial gainful activity by reason of any mental disorder which has lasted for a continuous period of not less than 12 months. "Substantial gainful activity" shall be defined by the authority by rule consistent with Public Law 92-603, as amended.

(14) "Clubhouse" means a community-based program that provides rehabilitation services and is licensed or certified by the department.

(15) "Co-response" means a multidisciplinary partnership between first responders and human services professionals that responds to emergency situations involving behavioral health crises and people experiencing complex medical needs. Participants in co-response respond to in-progress 911 calls, 988 calls, and requests for service from dispatch and other first responders and include first responders such as public safety telecommunicators, law enforcement officers, firefighters, emergency medical technicians, and paramedics, and human services professionals such as social workers, behavioral health clinicians, advanced practice registered nurses, registered nurses, community health workers, and peer support specialists.

(16) "Community behavioral health program" means all expenditures, services, activities, or programs, including reasonable administration and overhead, designed and conducted to prevent or treat substance use disorder, mental illness, or both in the community behavioral health system.

~~((16))~~ (17) "Community behavioral health service delivery system" means public, private, or tribal agencies that provide services specifically to persons with mental

disorders, substance use disorders, or both, as defined under RCW 71.05.020 and receive funding from public sources.

~~((17))~~ (18) "Community support services" means services authorized, planned, and coordinated through resource management services including, at a minimum, assessment, diagnosis, emergency crisis intervention available 24 hours, seven days a week, prescreening determinations for persons who are mentally ill being considered for placement in nursing homes as required by federal law, screening for patients being considered for admission to residential services, diagnosis and treatment for children who are acutely mentally ill or severely emotionally or behaviorally disturbed discovered under screening through the federal Title XIX early and periodic screening, diagnosis, and treatment program, investigation, legal, and other nonresidential services under chapter 71.05 RCW, case management services, psychiatric treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant patient information between service providers, recovery services, and other services determined by behavioral health administrative services organizations.

~~((18))~~ (19) "Community-based crisis team" means a team that is part of an emergency medical services agency, a fire service agency, a public health agency, a medical facility, a nonprofit crisis response provider, or a city or county government entity, other than a law enforcement agency, that provides the on-site community-based interventions of a mobile rapid response crisis team for individuals who are experiencing a behavioral health crisis.

~~((19))~~ (20) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.

~~((20))~~ (21) "Coordinated regional behavioral health crisis response system" means the coordinated operation of 988 call centers, regional crisis lines, certified public safety telecommunicators, and other behavioral health crisis system partners within each regional service area.

~~((21))~~ (22) "County authority" means the board of county commissioners, county council, or county executive having authority to establish a behavioral health administrative services organization, or two or more of the county authorities specified in this subsection which have entered into an agreement to establish a behavioral health administrative services organization.

~~((22))~~ (23) "Crisis stabilization services" means services such as 23-hour crisis relief centers, crisis stabilization units, short-term respite facilities, peer-run respite services, and same-day walk-in behavioral health services, including within the overall crisis system components that operate like hospital emergency departments that accept all walk-ins, and ambulance, fire, and police drop-offs, or determine the

need for involuntary hospitalization of an individual.

~~((23))~~ (24) "Crisis stabilization unit" has the same meaning as under RCW 71.05.020.

~~((24))~~ (25) "Department" means the department of health.

~~((25))~~ (26) "Designated 988 contact hub" or "988 contact hub" means a state-designated contact center that streamlines clinical interventions and access to resources for people experiencing a behavioral health crisis and participates in the national suicide prevention lifeline network to respond to statewide or regional 988 contacts that meets the requirements of RCW 71.24.890.

~~((26))~~ (27) "Designated crisis responder" has the same meaning as in RCW 71.05.020.

~~((27))~~ (28) "Director" means the director of the authority.

~~((28))~~ (29) "Drug addiction" means a disease characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

~~((29))~~ (30) "Early adopter" means a regional service area for which all of the county authorities have requested that the authority purchase medical and behavioral health services through a managed care health system as defined under RCW 71.24.380(7).

~~((30))~~ (31) "Emerging best practice" or "promising practice" means a program or practice that, based on statistical analyses or a well established theory of change, shows potential for meeting the evidence-based or research-based criteria, which may include the use of a program that is evidence-based for outcomes other than those listed in subsection ~~((31))~~ (32) of this section.

~~((31))~~ (32) "Evidence-based" means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled evaluation, or both, where the weight of the evidence from a systemic review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and, when possible, is determined to be cost-beneficial.

~~((32))~~ (33) "First responders" includes ambulance, fire, mobile rapid response crisis team, co-responder team, designated crisis responder, fire department mobile integrated health team, community assistance referral and education services program under RCW 35.21.930, and law enforcement personnel.

~~((33))~~ (34) "Immediate jeopardy" means a situation in which the licensed or certified behavioral health agency's noncompliance with one or more statutory or regulatory requirements has placed the health and

safety of patients in its care at risk for serious injury, serious harm, serious impairment, or death.

~~((34))~~ (35) "Indian health care provider" means a health care program operated by the Indian health service or by a tribe, tribal organization, or urban Indian organization as those terms are defined in the Indian health care improvement act (25 U.S.C. Sec. 1603).

~~((35))~~ (36) "Intensive behavioral health treatment facility" means a community-based specialized residential treatment facility for individuals with behavioral health conditions, including individuals discharging from or being diverted from state and local hospitals, whose impairment or behaviors do not meet, or no longer meet, criteria for involuntary inpatient commitment under chapter 71.05 RCW, but whose care needs cannot be met in other community-based placement settings.

~~((36))~~ (37) "Licensed or certified behavioral health agency" means:

(a) An entity licensed or certified according to this chapter or chapter 71.05 RCW;

(b) An entity deemed to meet state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department; or

(c) An entity with a tribal attestation that it meets state minimum standards for a licensed or certified behavioral health agency.

~~((37))~~ (38) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

~~((38))~~ (39) "Long-term inpatient care" means inpatient services for persons committed for, or voluntarily receiving intensive treatment for, periods of 90 days or greater under chapter 71.05 RCW. "Long-term inpatient care" as used in this chapter does not include: (a) Services for individuals committed under chapter 71.05 RCW who are receiving services pursuant to a conditional release or a court-ordered less restrictive alternative to detention; or (b) services for individuals voluntarily receiving less restrictive alternative treatment on the grounds of the state hospital.

~~((39))~~ (40) "Managed care organization" means an organization, having a certificate of authority or certificate of registration from the office of the insurance commissioner, that contracts with the authority under a comprehensive risk contract to provide prepaid health care services to enrollees under the authority's managed care programs under chapter 74.09 RCW.

~~((40))~~ (41) "Mental health peer-run respite center" means a peer-run program to serve individuals in need of voluntary, short-term, noncrisis services that focus on recovery and wellness.

~~((41))~~ (42) Mental health "treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by

the department of social and health services or the authority, by behavioral health administrative services organizations and their staffs, by managed care organizations and their staffs, or by treatment facilities. "Treatment records" do not include notes or records maintained for personal use by a person providing treatment services for the entities listed in this subsection, or a treatment facility if the notes or records are not available to others.

~~((42))~~ (43) "Mentally ill persons," "persons who are mentally ill," and "the mentally ill" mean persons and conditions defined in subsections (3), (13), ~~((45))~~ (52), and ~~((52))~~ (53) of this section.

~~((43))~~ (44) "Mobile rapid response crisis team" means a team that provides professional on-site community-based intervention such as outreach, de-escalation, stabilization, resource connection, and follow-up support for individuals who are experiencing a behavioral health crisis, that shall include certified peer counselors as a best practice to the extent practicable based on workforce availability, and that meets standards for response times established by the authority.

~~((44))~~ (45) "Recovery" means a process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential.

~~((45))~~ (46) "Regional crisis line" means the behavioral health crisis hotline in each regional service area which provides crisis response services 24 hours a day, seven days a week, 365 days a year including but not limited to dispatch of mobile rapid response crisis teams, community-based crisis teams, and designated crisis responders. A regional crisis line may not dispatch law enforcement.

~~((46))~~ (47) "Research-based" means a program or practice that has been tested with a single randomized, or statistically controlled evaluation, or both, demonstrating sustained desirable outcomes; or where the weight of the evidence from a systemic review supports sustained outcomes as described in subsection ~~((31))~~ (32) of this section but does not meet the full criteria for evidence-based.

~~((47))~~ (48) "Residential services" means a complete range of residences and supports authorized by resource management services and which may involve a facility, a distinct part thereof, or services which support community living, for persons who are acutely mentally ill, adults who are chronically mentally ill, children who are severely emotionally disturbed, or adults who are seriously disturbed and determined by the behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. The services shall include at least evaluation and treatment services as defined in chapter 71.05 RCW, acute crisis respite care, long-term adaptive and rehabilitative care, and supervised and supported living services, and shall also include any residential services developed to service persons who are mentally ill in nursing homes,

residential treatment facilities, assisted living facilities, and adult family homes, and may include outpatient services provided as an element in a package of services in a supported housing model. Residential services for children in out-of-home placements related to their mental disorder shall not include the costs of food and shelter, except for children's long-term residential facilities existing prior to January 1, 1991.

~~((48))~~ (49) "Resilience" means the personal and community qualities that enable individuals to rebound from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

~~((49))~~ (50) "Resource management services" mean the planning, coordination, and authorization of residential services and community support services administered pursuant to an individual service plan for:

(a) Adults and children who are acutely mentally ill; (b) adults who are chronically mentally ill; (c) children who are severely emotionally disturbed; or (d) adults who are seriously disturbed and determined by a behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. Such planning, coordination, and authorization shall include mental health screening for children eligible under the federal Title XIX early and periodic screening, diagnosis, and treatment program. Resource management services include seven day a week, 24 hour a day availability of information regarding enrollment of adults and children who are mentally ill in services and their individual service plan to designated crisis responders, evaluation and treatment facilities, and others as determined by the behavioral health administrative services organization or managed care organization, as applicable.

~~((50))~~ (51) "Secretary" means the secretary of the department of health.

~~((51))~~ (52) "Seriously disturbed person" means a person who:

(a) Is gravely disabled or presents a likelihood of serious harm to himself or herself or others, or to the property of others, as a result of a mental disorder as defined in chapter 71.05 RCW;

(b) Has been on conditional release status, or under a less restrictive alternative order, at some time during the preceding two years from an evaluation and treatment facility or a state mental health hospital;

(c) Has a mental disorder which causes major impairment in several areas of daily living;

(d) Exhibits suicidal preoccupation or attempts; or

(e) Is a child diagnosed by a mental health professional, as defined in chapter 71.34 RCW, as experiencing a mental disorder which is clearly interfering with the child's functioning in family or school or with peers or is clearly interfering with the child's personality development and learning.

~~((52))~~ (53) "Severely emotionally disturbed child" or "child who is severely emotionally disturbed" means a child who has

been determined by the behavioral health administrative services organization or managed care organization, if applicable, to be experiencing a mental disorder as defined in chapter 71.34 RCW, including those mental disorders that result in a behavioral or conduct disorder, that is clearly interfering with the child's functioning in family or school or with peers and who meets at least one of the following criteria:

(a) Has undergone inpatient treatment or placement outside of the home related to a mental disorder within the last two years;

(b) Has undergone involuntary treatment under chapter 71.34 RCW within the last two years;

(c) Is currently served by at least one of the following child-serving systems: Juvenile justice, child-protection/welfare, special education, or developmental disabilities;

(d) Is at risk of escalating maladjustment due to:

(i) Chronic family dysfunction involving a caretaker who is mentally ill or inadequate;

(ii) Changes in custodial adult;

(iii) Going to, residing in, or returning from any placement outside of the home, for example, behavioral health hospital, short-term inpatient, residential treatment, group or foster home, or a correctional facility;

(iv) Subject to repeated physical abuse or neglect;

(v) Drug or alcohol abuse; or

(vi) Homelessness.

~~((53))~~ (54) "State minimum standards" means minimum requirements established by rules adopted and necessary to implement this chapter by:

(a) The authority for:

(i) Delivery of mental health and substance use disorder services; and

(ii) Community support services and resource management services;

(b) The department of health for:

(i) Licensed or certified behavioral health agencies for the purpose of providing mental health or substance use disorder programs and services, or both;

(ii) Licensed behavioral health providers for the provision of mental health or substance use disorder services, or both; and

(iii) Residential services.

~~((54))~~ (55) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

~~((55))~~ (56) "Tribe," for the purposes of this section, means a federally recognized Indian tribe.

Sec. 3. RCW 5.60.060 and 2024 c 295 s 6 are each amended to read as follows:

(1) A spouse or domestic partner shall not be examined for or against his or her spouse or domestic partner, without the consent of the spouse or domestic partner; nor can either during marriage or during the

domestic partnership or afterward, be without the consent of the other, examined as to any communication made by one to the other during the marriage or the domestic partnership. But this exception shall not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other, nor to a criminal action or proceeding against a spouse or domestic partner if the marriage or the domestic partnership occurred subsequent to the filing of formal charges against the defendant, nor to a criminal action or proceeding for a crime committed by said spouse or domestic partner against any child of whom said spouse or domestic partner is the parent or guardian, nor to a proceeding under chapter 71.05 or 71.09 RCW: PROVIDED, That the spouse or the domestic partner of a person sought to be detained under chapter 71.05 or 71.09 RCW may not be compelled to testify and shall be so informed by the court prior to being called as a witness.

(2)(a) An attorney or counselor shall not, without the consent of his or her client, be examined as to any communication made by the client to him or her, or his or her advice given thereon in the course of professional employment.

(b) A parent or guardian of a minor child arrested on a criminal charge may not be examined as to a communication between the child and his or her attorney if the communication was made in the presence of the parent or guardian. This privilege does not extend to communications made prior to the arrest.

(3) A member of the clergy, a Christian Science practitioner listed in the Christian Science Journal, or a priest shall not, without the consent of a person making the confession or sacred confidence, be examined as to any confession or sacred confidence made to him or her in his or her professional character, in the course of discipline enjoined by the church to which he or she belongs.

(4) Subject to the limitations under RCW 71.05.217 (6) and (7), a physician or surgeon or osteopathic physician or surgeon or podiatric physician or surgeon shall not, without the consent of his or her patient, be examined in a civil action as to any information acquired in attending such patient, which was necessary to enable him or her to prescribe or act for the patient, except as follows:

(a) In any judicial proceedings regarding a child's injury, neglect, or sexual abuse or the cause thereof; and

(b) Ninety days after filing an action for personal injuries or wrongful death, the claimant shall be deemed to waive the physician-patient privilege. Waiver of the physician-patient privilege for any one physician or condition constitutes a waiver of the privilege as to all physicians or conditions, subject to such limitations as a court may impose pursuant to court rules.

(5) A public officer shall not be examined as a witness as to communications made to him or her in official confidence, when the public interest would suffer by the disclosure.

(6)(a) A peer supporter shall not, without consent of the peer support services recipient making the communication, be compelled to testify about any communication made to the peer supporter by the peer support services recipient while receiving individual or group services. The peer supporter must be designated as such by their employing agency prior to providing peer support services. The privilege only applies when the communication was made to the peer supporter while acting in his or her capacity as a peer supporter. The privilege applies regardless of whether the peer support services recipient is an employee of the same agency as the peer supporter. Peer support services may be coordinated or designated among first responder agencies pursuant to chapter 10.93 RCW, interlocal agreement, or other similar provision, provided however that a written agreement is not required for the privilege to apply. The privilege does not apply if the peer supporter was an initial responding first responder, department of corrections staff person, or jail staff person; a witness; or a party to the incident which prompted the delivery of peer support services to the peer support services recipient.

(b) For purposes of this section:

(i) "First responder" means:

(A) A law enforcement officer;

(B) A limited authority law enforcement officer;

(C) A firefighter;

(D) An emergency services dispatcher or recordkeeper;

(E) Emergency medical personnel, as licensed or certified by this state;

(F) A member or former member of the Washington national guard acting in an emergency response capacity pursuant to chapter 38.52 RCW; ~~((or))~~

(G) A coroner or medical examiner, or a coroner's or medical examiner's agent or employee; or

(H) An individual engaged in co-response services, as defined in RCW 71.24.025.

(ii) "Law enforcement officer" means a general authority Washington peace officer as defined in RCW 10.93.020.

(iii) "Limited authority law enforcement officer" means a limited authority Washington peace officer as defined in RCW 10.93.020 who is employed by the department of corrections, state parks and recreation commission, department of natural resources, liquor and cannabis board, or Washington state gambling commission.

(iv) "Peer support services recipient" means:

(A) A first responder;

(B) A department of corrections staff person; or

(C) A jail staff person.

(v) "Peer supporter" means:

(A) A first responder, retired first responder, department of corrections staff person, or jail staff person or a civilian employee of a first responder entity or agency, local jail, or state agency who has received training to provide emotional and moral support and services to a peer support services recipient who needs those services as a result of an incident or incidents in

which the peer support services recipient was involved while acting in his or her official capacity or to deal with other stress that is impacting the peer support services recipient's performance of official duties; or

(B) A nonemployee who has been designated by the first responder entity or agency, local jail, statewide organization focused on co-response outreach, or state agency to provide emotional and moral support and counseling to a peer support services recipient who needs those services as a result of an incident or incidents in which the peer support services recipient was involved while acting in his or her official capacity.

(7) A sexual assault advocate may not, without the consent of the victim, be examined as to any communication made between the victim and the sexual assault advocate.

(a) For purposes of this section, "sexual assault advocate" means the employee or volunteer from a community sexual assault program or underserved populations provider, victim assistance unit, program, or association, that provides information, medical or legal advocacy, counseling, or support to victims of sexual assault, who is designated by the victim to accompany the victim to the hospital or other health care facility and to proceedings concerning the alleged assault, including police and prosecution interviews and court proceedings.

(b) A sexual assault advocate may disclose a confidential communication without the consent of the victim if failure to disclose is likely to result in a clear, imminent risk of serious physical injury or death of the victim or another person. Any sexual assault advocate participating in good faith in the disclosing of records and communications under this section shall have immunity from any liability, civil, criminal, or otherwise, that might result from the action. In any proceeding, civil or criminal, arising out of a disclosure under this section, the good faith of the sexual assault advocate who disclosed the confidential communication shall be presumed.

(8) A domestic violence advocate may not, without the consent of the victim, be examined as to any communication between the victim and the domestic violence advocate.

(a) For purposes of this section, "domestic violence advocate" means an employee or supervised volunteer from a community-based domestic violence program or human services program that provides information, advocacy, counseling, crisis intervention, emergency shelter, or support to victims of domestic violence and who is not employed by, or under the direct supervision of, a law enforcement agency, a prosecutor's office, or the child protective services section of the department of children, youth, and families as defined in RCW 26.44.020.

(b) A domestic violence advocate may disclose a confidential communication without the consent of the victim if failure to disclose is likely to result in a clear, imminent risk of serious physical injury or

death of the victim or another person. This section does not relieve a domestic violence advocate from the requirement to report or cause to be reported an incident under RCW 26.44.030(1) or to disclose relevant records relating to a child as required by RCW 26.44.030(15). Any domestic violence advocate participating in good faith in the disclosing of communications under this subsection is immune from liability, civil, criminal, or otherwise, that might result from the action. In any proceeding, civil or criminal, arising out of a disclosure under this subsection, the good faith of the domestic violence advocate who disclosed the confidential communication shall be presumed.

(9) A mental health counselor, independent clinical social worker, or marriage and family therapist licensed under chapter 18.225 RCW may not disclose, or be compelled to testify about, any information acquired from persons consulting the individual in a professional capacity when the information was necessary to enable the individual to render professional services to those persons except:

(a) With the written authorization of that person or, in the case of death or disability, the person's personal representative;

(b) If the person waives the privilege by bringing charges against the mental health counselor licensed under chapter 18.225 RCW;

(c) In response to a subpoena from the secretary of health. The secretary may subpoena only records related to a complaint or report under RCW 18.130.050;

(d) As required under chapter 26.44 or 74.34 RCW or RCW 71.05.217 (6) or (7); or

(e) To any individual if the mental health counselor, independent clinical social worker, or marriage and family therapist licensed under chapter 18.225 RCW reasonably believes that disclosure will avoid or minimize an imminent danger to the health or safety of the individual or any other individual; however, there is no obligation on the part of the provider to so disclose.

(10) An individual who acts as a sponsor providing guidance, emotional support, and counseling in an individualized manner to a person participating in an alcohol or drug addiction recovery fellowship may not testify in any civil action or proceeding about any communication made by the person participating in the addiction recovery fellowship to the individual who acts as a sponsor except with the written authorization of that person or, in the case of death or disability, the person's personal representative.

(11)(a) Neither a union representative nor an employee the union represents or has represented shall be examined as to, or be required to disclose, any communication between an employee and union representative or between union representatives made in the course of union representation except:

(i) To the extent such examination or disclosure appears necessary to prevent the commission of a crime that is likely to result in a clear, imminent risk of serious physical injury or death of a person;

(ii) In actions, civil or criminal, in which the represented employee is accused of a crime or assault or battery;

(iii) In actions, civil or criminal, where a union member is a party to the action, the union member may obtain a copy of any statement previously given by that union member concerning the subject matter of the action and may elicit testimony concerning such statements. The right of the union member to obtain such statements, or the union member's possession of such statements, does not render them discoverable over the objection of the union member;

(iv) In actions, regulatory, civil, or criminal, against the union or its affiliated, subordinate, or parent bodies or their agents; or

(v) When an admission of, or intent to engage in, criminal conduct is revealed by the represented union member to the union representative.

(b) The privilege created in this subsection (11) does not apply to any record of communications that would otherwise be subject to disclosure under chapter 42.56 RCW.

(c) The privilege created in this subsection (11) may not interfere with an employee's or union representative's applicable statutory mandatory reporting requirements, including but not limited to duties to report in chapters 26.44, 43.101, and 74.34 RCW.

(d) For purposes of this subsection:

(i) "Employee" means a person represented by a certified or recognized union regardless of whether the employee is a member of the union.

(ii) "Union" means any lawful organization that has as one of its primary purposes the representation of employees in their employment relations with employers, including without limitation labor organizations defined by 29 U.S.C. Sec. 152(5) and 5 U.S.C. Sec. 7103(a)(4), representatives defined by 45 U.S.C. Sec. 151, and bargaining representatives defined in RCW 41.56.030, and employee organizations as defined in RCW 28B.52.020, 41.59.020, 41.80.005, 41.76.005, 47.64.011, and 53.18.010.

(iii) "Union representation" means action by a union on behalf of one or more employees it represents in regard to their employment relations with employers, including personnel matters, grievances, labor disputes, wages, rates of pay, hours of employment, conditions of work, or collective bargaining.

(iv) "Union representative" means a person authorized by a union to act for the union in regard to union representation.

(v) "Communication" includes any oral, written, or electronic communication or document containing such communication.

Sec. 4. RCW 51.32.181 and 2022 c 290 s 1 are each amended to read as follows:

(1) For frontline employees who are covered under this title, there exists a prima facie presumption that any infectious or contagious diseases that are transmitted through respiratory droplets or aerosols, or

through contact with contaminated surfaces and are the subject of a public health emergency are occupational diseases under RCW 51.08.140 during a public health emergency.

(2) The frontline employee must provide verification, as required by the department by rule, to the department and the self-insured employer that the employee has contracted the infectious or contagious disease that is the subject of the public health emergency.

(3) This presumption of occupational disease may be rebutted by a preponderance of the evidence that:

(a) The exposure to the infectious or contagious disease which is the subject of the public health emergency occurred from other employment or nonemployment activities; or

(b) The employee was working from the employee's home, on leave from the employee's employment, or some combination thereof, for the period of quarantine consistent with recommended guidance from state and federal health officials for the disease immediately prior to the employee's injury, occupational disease, or period of incapacity that resulted from exposure to the disease which is the subject of the public health emergency.

(4) (a) RCW 51.32.090(7) does not apply to an occupational disease under this section except that no worker shall receive compensation for or during the day on which the occupational disease was contracted. For the purposes of this subsection (4), the day on which the occupational disease was contracted is whichever date occurs first of the following:

(i) The date that the worker first missed work due to symptoms of the infectious or contagious disease;

(ii) The date the worker was quarantined by a medical provider or public health official; or

(iii) The date the worker received a positive test result confirming contraction of the infectious or contagious disease.

(b) If leave or similar benefits are paid to the frontline employee as part of a federal or state program for these employees during the public health emergency, temporary total disability benefits are not payable for the same period of time covered by the federal or state program.

(5) When calculating assessments due to the department for which total claim costs are the basis, self-insured employers and self-insurance hospital groups formed under RCW 51.14.150 and 51.14.160 may deduct the cost of payments made under this section from the total of all claim costs reported.

(6) Costs of the payments under this section shall not affect the experience rating of employers insured by the state fund.

(7) As used in this section:

(a) "Assisted living facility" has the same meaning as in RCW 18.20.020.

(b) "Farm work" means work performed on a farm, in the employ of any person, in connection with the cultivation of the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including raising, shearing, feeding, caring

for, training, and management of livestock, bees, poultry, and furbearing animals and wildlife, or in the employ of the owner or tenant or other operator of a farm in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment. For the purposes of this subsection, "farm work" includes floriculture.

(c) "Food distribution work" means work where the primary duties include transporting food from food producers or manufacturers to food warehouses or food service operators and retailers.

(d) "Food manufacturing work" means work performed for an employer whose North American industry classification code is within "311."

(e) "Food processing work" means work handling or processing of any food in any manner of preparation for sale for an employer required to be licensed by the department of agriculture under chapter 69.07 RCW.

(f) "Frontline employee" includes the following employees:

(i) First responders, including law enforcement officers, firefighters, emergency medical service providers, paramedics, ~~((and))~~ ambulance drivers, and other members of first response teams engaged in co-response, as defined in RCW 71.24.025. "Firefighters" includes wildland firefighters when performing wildfire suppression or other emergency duties under the incident command system if the firefighter has in-person interaction with the general public or other firefighters as part of their job duties;

(ii) Employees performing food processing, food manufacturing, food distribution, farm, and meat packing work;

(iii) Maintenance, janitorial, and food service workers at any facility treating patients diagnosed with the infectious or contagious disease that is the subject of the public health emergency;

(iv) Drivers and operators employed by a transit agency or any other public entity authorized under state law to provide mass transportation services to the general public;

(v) Employees working at a child care facility licensed by the department of children, youth, and families under chapter 43.216 RCW, if the employee has in-person interaction with children or other members of the general public as part of their job duties;

(vi) Employees employed by a retail store that remains open to the general public during the public health emergency, if the employee has in-person interaction with the general public as part of their job duties or has in-person interaction with other employees. For the purposes of this subsection, "retail store" means a business whose North American industry classification code is within "44-45";

(vii) Employees employed by a hotel, motel, or other transient accommodation licensed under chapter 70.62 RCW that remains open to the general public during the public health emergency, if the employee has in-person interaction with the general

public as part of their job duties or has in-person interaction with other employees;

(viii) Employees employed by a restaurant, if the employee has in-person interaction with the general public as part of their job duties or works in the kitchen of the restaurant and has in-person interaction with other employees. For the purposes of this subsection, "restaurant" has the same meaning as in RCW 66.04.010;

(ix) Home care aides certified under chapter 18.88B RCW and home health aides that provide services under chapter 70.126 RCW that primarily work in the home of the individual receiving care;

(x) (A) Corrections officers and correctional support employees working at a correctional institution.

(B) For the purposes of this subsection (7) (f) (x):

(I) "Correctional institution" has the same meaning as in RCW 9.94.049.

(II) "Corrections officer" means any corrections agency employee whose primary job function is to provide custody, safety, and security of prisoners in jails and detention facilities.

(III) "Correctional support employee" means any employee who provides food services or janitorial services in a correctional institution;

(xi) Educational employees, including classroom teachers, paraeducators, principals, librarians, school bus drivers, and other educational support staff, of any school district, or a contractor of a school district, that are required to be physically present at a school or on the grounds of a school where classes are being taught in person, in a transportation vehicle necessary for school operations, or in the home of a student as part of their job duties, if the employee has in-person interaction with students, a student's family members, or other employees as part of their job duties;

(xii) Employees of institutions of higher education that are required to be physically present on campus when classes are being taught in person, if the employee has in-person interaction with students or the general public as part of their job duties. For the purposes of this subsection, "institution of higher education" has the same meaning as in RCW 28B.10.016;

(xiii) Employees employed by a public library that remains open to the general public during the public health emergency, if the employee has in-person interaction with the general public as part of their job duties or has in-person interaction with other employees. For the purposes of this subsection, "public library" means a library covered by chapter 27.12 RCW;

(xiv) Employees employed by the department of licensing who are assigned to review, process, approve, and issue driver licenses to the general public, if the employee has in-person interaction with the general public as part of their job duties or has in-person interaction with other employees.

(g) "Meat packing work" means work slaughtering animals and processing and packaging meat products for sale and the rendering of animal by-products.

(h) "Nursing home" means a nursing home licensed under chapter 18.51 RCW.

(i) "Public health emergency" means a declaration or order concerning any infectious or contagious diseases, including a pandemic and is issued as follows:

(i) The president of the United States has declared a national or regional emergency that covers every county in the state of Washington; or

(ii) The governor of Washington has declared a state of emergency under RCW 43.06.010(12) in every county in the state.

(j) "School" has the same meaning as in RCW 28A.210.070.

Sec. 5. RCW 71.24.905 and 2022 c 232 s 2 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the University of Washington shall, in consultation and collaboration with the co-responder outreach alliance and other stakeholders as appropriate in the field of co-response:

(a) Establish regular opportunities for police, fire, emergency medical services, peer counselors, and behavioral health personnel working in co-response to convene for activities such as training, exchanging information and best practices around the state and nationally, and providing the University of Washington with assistance with activities described in this section;

(b) Subject to the availability of amounts appropriated for this specific purpose, administer a small budget to help defray costs for training and professional development, which may include expenses related to attending or hosting site visits with experienced co-response teams;

(c) Develop an assessment to be provided to the governor and legislature by June 30, 2023, describing and analyzing the following:

(i) Existing capacity and shortfalls across the state in co-response teams and the co-response workforce;

(ii) Current alignment of co-response teams with cities, counties, behavioral health administrative services organizations, and call centers; distribution among police, fire, and EMS-based co-response models; and desired alignment;

(iii) Current funding strategies for co-response teams and identification of federal funding opportunities;

(iv) Current data systems utilized and an assessment of their effectiveness for use by co-responders, program planners, and policymakers;

(v) Current training practices and identification of future state training practices;

(vi) Alignment with designated crisis responder activities;

(vii) Recommendations concerning best practices to prepare co-responders to achieve objectives and meet future state crisis system needs, including those of the 988 system;

(viii) Recommendations to align co-responder activities with efforts to reform ways in which persons experiencing a

behavioral health crisis interact with the criminal justice system; and

(ix) Assessment of training and educational needs for current and future co-responder workforce;

(d) Beginning in calendar year 2023, begin development of model training curricula for individuals participating in co-response teams; and

(e) Beginning in calendar year 2023, host an annual statewide conference that draws state and national co-responders.

(2) Stakeholders in the field of co-response may include, but are not limited to, the Washington association of designated crisis responders; state associations representing police, fire, and emergency medical services personnel; the Washington council on behavioral health; the state ((enhanced)) 911 system; 988 crisis call centers; and the peer workforce alliance.

(3)(a) By January 1, 2026, the University of Washington school of social work, in consultation with the authority and the behavioral health administrative services organizations, shall establish a program to administer a crisis responder training academy resulting in a certification in best practices in crisis response in three behavioral health administrative services organizations with a significant co-response footprint. The curriculum must include: Safety and crisis de-escalation tactics, teamwork across the disciplines including peer support workers, culturally responsive crisis care, suicide intervention, substance use disorder engagement, overdose response, and an eight-hour session with clinical staff of designated 988 contact hubs, crisis relief centers, crisis call centers, and employees of 911 public safety answering points, explaining best coordination strategies. Best practices for regional protocol development must be included.

(b) By January 1, 2027, the crisis responder training academy shall be expanded to all behavioral health administrative services organizations and provide openings for 988 rapid response teams, co-response teams, mobile community response teams, and alternative response teams. The behavioral health administrative services organizations shall promote the training academy available to local crisis responder and co-response teams in their regions. The certification shall be optional and may not serve as an additional requirement for licensure for crisis responders or licensed human services professionals."

On page 1, line 2 of the title, after "support," strike the remainder of the title and insert "amending RCW 5.60.060, 51.32.181, and 71.24.905; reenacting and amending RCW 71.24.025; and creating a new section."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1811 and advanced the bill, as amended by the Senate, to final passage.

Representative Salahuddin spoke in favor of the passage of the bill.

Representative Schmick spoke against the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1811, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1811, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 59; Nays, 38; Absent, 0; Excused, 1

Voting Yea: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Macri, Marshall, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, McClintock, McEntire, Mendoza, Orcutt, Penner, Rude, Schmick, Schmidt, Steele, Stokesbary, Stuebe, Volz, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

SUBSTITUTE HOUSE BILL NO. 1811, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Wednesday, April 16, 2025

Mme. Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1813, with the following amendment(s): 1813-S2.E AMS WM S2849.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 74.09 RCW to read as follows:

(1) The authority shall consult with the department of commerce and the department of health quarterly for all agencies to plan and prepare for new or expanded services in each regional service area, which must include, but are not limited to, incorporating regional capacity changes reported to the authority by managed care organizations, behavioral health administrative services organizations, providers including Indian health services providers, Indian health care providers, urban Indian health organizations, or provider networks. When programs or facilities including, but not limited to, those programs and facilities described in RCW 71.24.045(1)(e) are newly established or closed or existing services are expanded or reduced in a region the authority shall

direct the state's medicaid contractor for actuarial services to promptly and prospectively adjust medicaid managed care rates to include a programmatic adjustment related to the new or expanded service prior to the facility opening or the service expansion, consistent with the rate-setting cycles directed by the authority. If a facility closes or services are reduced, managed care and fee-for-service rates must be adjusted accordingly in the rate-setting cycle following the facility closure.

(2) Within existing funds, the authority's preparation for the reprocurement of services to enrollees of medical assistance programs authorized under this chapter shall include the opportunity for comment by key stakeholders, to the extent allowed by applicable state and federal procurement standards, including tribes, patient groups, health care providers and facilities, counties, and behavioral health administrative services organizations. Preparation for the reprocurement of services must also include:

(a) Methodologies for measuring network access and adequacy for each provider type subject to network access and adequacy standards and tailored to the particular needs of the regional service areas, to be implemented in the reprocurement to assure access to appropriate and timely behavioral health services in each region; and

(b) Opportunities to amend managed care contract requirements to further streamline and standardize processes to reduce administrative burden for providers.

Sec. 2. RCW 71.24.045 and 2024 c 368 s 3 and 2024 c 209 s 30 are each reenacted and amended to read as follows:

(1) The behavioral health administrative services organization contracted with the authority pursuant to RCW 71.24.381 shall:

(a) Administer crisis services for the assigned regional service area. Such services must include:

(i) A behavioral health crisis hotline that operates 24 hours a day every day for its assigned regional service area that provides immediate support, triage, and referral, including tribal and Indian health care provider crisis services, for individuals experiencing behavioral health crises, including the capacity to connect individuals with trained crisis counselors and, when appropriate, dispatch additional crisis services consistent with existing strategies and operations of the 988 system;

(ii) Crisis response services 24 hours a day, seven days a week, 365 days a year;

(iii) Services related to involuntary commitments under chapters 71.05 and 71.34 RCW;

(iv) Tracking of less restrictive alternative orders issued within the region by superior courts, and providing notification to a managed care organization in the region when one of its enrollees receives a less restrictive alternative order so that the managed care organization may ensure that the person is connected to services and that the requirements of RCW 71.05.585 are complied with. If the person receives a less restrictive alternative

order and is returning to another region, the behavioral health administrative services organization shall notify the behavioral health administrative services organization in the home region of the less restrictive alternative order so that the home behavioral health administrative services organization may notify the person's managed care organization or provide services if the person is not enrolled in medicaid and does not have other insurance which can pay for those services;

(v) Additional noncrisis behavioral health services, within available resources, to individuals who meet certain criteria set by the authority in its contracts with the behavioral health administrative services organization. These services may include services provided through federal grant funds, provisos, and general fund state appropriations;

(vi) Care coordination, diversion services, and discharge planning for nonmedicaid individuals transitioning from state hospitals or inpatient settings to reduce rehospitalization and utilization of crisis services, as required by the authority in contract;

(vii) Regional coordination, cross-system and cross-jurisdiction coordination with tribal governments, and capacity building efforts, such as supporting the behavioral health advisory board and efforts to support access to services or to improve the behavioral health system; and

(viii) Duties under RCW 71.24.432;

(b) Administer and provide for the availability of an adequate network of evaluation and treatment services to ensure access to treatment, investigation, transportation, court-related, and other services provided as required under chapter 71.05 RCW;

(c) Coordinate services for individuals under RCW 71.05.365;

(d) Administer and provide for the availability of resource management services, residential services, and community support services as required under its contract with the authority;

(e) Contract with a sufficient number, as determined by the authority and in consultation with the behavioral health administrative services organization regarding funds required for this purpose, of licensed or certified providers for crisis services, which may include crisis services delegated to the behavioral health administrative services organization consistent with RCW 71.24.380(3)(b) and other behavioral health services required by the authority;

(f) ~~((Maintain adequate reserves or secure a bond as required by its contract with the authority))~~ Collaborate with the authority to develop a funding model for establishing adequate reserve thresholds, considering service utilization, crisis system operations, and crisis service needs for the medicaid and nonmedicaid populations;

(g) Establish and maintain quality assurance processes;

(h) Meet established limitations on administrative costs for agencies that

contract with the behavioral health administrative services organization; and

(i) Maintain patient tracking information as required by the authority.

(2) (a) The behavioral health administrative services organization must collaborate with the authority and its contracted managed care organizations to develop and implement strategies to coordinate care with tribes and community behavioral health providers for individuals with a history of frequent crisis system utilization.

~~((3))~~ (b) To facilitate care coordination with managed care organizations for managed care enrollees that have engagement with the crisis system, the behavioral health administrative services organizations, in consultation with managed care organizations, shall develop and implement electronic care coordination data-sharing standards that are consistent across regional service areas by January 1, 2026.

(3) The behavioral health administrative services organization shall:

(a) Assure that the special needs of minorities, older adults, individuals with disabilities, children, and low-income persons are met;

(b) Collaborate with local and tribal government entities to ensure that policies do not result in an adverse shift of persons with mental illness into state, local, and tribal correctional facilities; and

(c) Work with the authority to expedite the enrollment or reenrollment of eligible persons leaving state or local correctional facilities and institutions for mental diseases.

(4) The behavioral health administrative services organization shall employ an assisted outpatient treatment program coordinator to oversee system coordination and legal compliance for assisted outpatient treatment under RCW 71.05.148 and 71.34.815.

(5) The behavioral health administrative services organization shall comply and ensure their contractors comply with the tribal crisis coordination plan agreed upon by the authority and tribes for coordination of crisis services, care coordination, and discharge and transition planning with tribes and Indian health care providers ~~((applicable to their regional service area))~~.

(6) Within existing resources, the authority shall develop an operational plan for a behavioral health administrative services organization that serves American Indians and Alaska Natives that operates statewide and coordinates with tribal governments and Indian health care providers as defined in RCW 43.71B.010. The office of tribal affairs shall coordinate the development of the operational plan in partnership with the American Indian health commission as defined in RCW 43.71B.010 and the governor's Indian health advisory council which shall provide a forum for consultation and collaboration with the tribes and Indian health care providers.

Sec. 3. RCW 71.24.380 and 2023 c 51 s 32 are each amended to read as follows:

(1) The director shall purchase behavioral health services primarily through managed care contracting, but may continue to purchase behavioral health services directly from providers serving medicaid clients who are not enrolled in a managed care organization.

(2) The director shall require that contracted managed care organizations have a sufficient network of providers to provide adequate access to behavioral health services for residents of the regional service area that meet eligibility criteria for services, and for maintenance of quality assurance processes. Contracts with managed care organizations must comply with all federal medicaid and state law requirements related to managed health care contracting, including RCW 74.09.522.

(3) (a) A managed care organization must contract with the authority's selected behavioral health administrative services organization for the assigned regional service area for the administration of crisis services. The contract shall require the managed care organization to reimburse the behavioral health administrative services organization for behavioral health crisis services delivered to individuals enrolled in the managed care organization.

(b) By July 1, 2026, the authority shall direct managed care organizations to establish, continue, or expand delegation arrangements with behavioral health administrative services organizations for crisis services for medicaid enrollees, including crisis phone interventions, mobile crisis teams, peer support services in crisis settings, and crisis stabilization services to include crisis stabilization facilities, in-home crisis stabilization services, and crisis relief centers. The authority shall direct managed care organizations to negotiate with behavioral health administrative services organizations on a structure to reimburse delegated network providers for medical services offered at crisis facilities.

(i) Managed care organizations shall maintain standards of delegation consistent with their required national committee for quality assurance accreditation. If a managed care organization finds that a behavioral health administrative services organization is unable to meet delegation standards for certain facility-based crisis stabilization services, the authority, in partnership with the managed care organization, may provide technical assistance to the behavioral health administrative services organization to develop its ability to comply with the full scope of delegated services. If, upon conclusion of the technical assistance period, the authority determines that the behavioral health administrative services organization remains unable to comply with these delegation standards, the authority may require delegation for facility-based crisis stabilization services only be terminated and the responsibility for the provision of these services may revert to the managed care organization.

(ii) Under managed care delegation arrangements, behavioral health administrative services organizations are

subject to audits of their performance to assure the quality of services being provided to their enrollees. If, at any time, a behavioral health administrative services organization fails the audit, the managed care organization shall proceed with findings or corrective action plans according to their requirements as a national committee for quality assurance accreditation entity. The managed care organization shall notify the authority of these findings and corrective actions within 72 hours. The authority, in partnership with the managed care organization, shall provide technical assistance to behavioral health administrative services organizations to address any deficiencies identified in the audit.

(4) Managed care organizations and behavioral health administrative services organizations shall collectively, and in contract, establish defined roles, responsibilities, and protocols for care coordination of managed care enrollees that have engagement with the crisis system of care.

(5) The authority must contract with the department of commerce for the provision of behavioral health consumer advocacy services delivered to individuals enrolled in a managed care organization by the advocacy organization selected by the state office of behavioral health consumer advocacy established in RCW 71.40.030. The contract shall require the authority to reimburse the department of commerce for the behavioral health consumer advocacy services delivered to individuals enrolled in a managed care organization.

((5) A managed care organization)) (6) Managed care organizations and behavioral health administrative services organizations must collaborate with the authority ((and its contracted behavioral health administrative services organization)) to develop and implement strategies to coordinate care with tribes and community behavioral health providers for individuals with a history of frequent crisis system utilization.

((6)) (7) A managed care organization must work closely with designated crisis responders, behavioral health administrative services organizations, and behavioral health providers to maximize appropriate placement of persons into community services, ensuring the client receives the least restrictive level of care appropriate for their condition. Additionally, the managed care organization shall work with the authority to expedite the enrollment or reenrollment of eligible persons leaving state or local correctional facilities and institutions for mental diseases.

((7) As an incentive to county authorities to become early adopters of fully integrated purchasing of medical and behavioral health services, the standards adopted by the authority shall provide for an incentive payment to counties which elect to move to full integration by January 1, 2016. Subject to federal approval, the incentive payment shall be targeted at ten percent of savings realized by the state within the regional service area in which the fully integrated purchasing takes place.

~~Savings shall be calculated in alignment with the outcome and performance measures established in RCW 71.24.435, 70.320.020, and 71.36.025, and incentive payments for early adopter counties shall be made available for up to a six-year period, or until full integration of medical and behavioral health services is accomplished statewide, whichever comes sooner, according to rules to be developed by the authority.))~~

Wednesday, April 16, 2025

Mme. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1837, with the following amendment(s): 1837-S.E AMS TRAN S2644.1

Strike everything after the enacting clause and insert the following:

NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2025, in the omnibus appropriations act, this act is null and void."

On page 1, line 3 of the title, after "enrollees;" strike the remainder of the title and insert "amending RCW 71.24.380; reenacting and amending RCW 71.24.045; adding a new section to chapter 74.09 RCW; and creating a new section."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1813 and advanced the bill, as amended by the Senate, to final passage.

Representative Bronoske spoke in favor of the passage of the bill.

Representative Schmick spoke against the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1813, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1813, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 62; Nays, 35; Absent, 0; Excused, 1

Voting Yea: Representatives Barkis, Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Couture, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Griffey, Hackney, Hill, Hunt, Kloba, Leavitt, Macri, Marshall, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barnard, Burnett, Caldier, Chase, Connors, Corry, Dent, Dufault, Dye, Engell, Eslick, Graham, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, McClintock, McEntire, Mendoza, Orcutt, Penner, Rude, Schmick, Schmidt, Steele, Stokesbary, Stuebe, Volz, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1813, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

"NEW SECTION. Sec. 1. A new section is added to chapter 47.79 RCW to read as follows:

(1) The legislature recognizes that intercity passenger rail is an integral part of the state's transportation system and is critical to the state's ability to meet the climate, public health, equity, and mobility goals of the state as it continues to experience growth. The legislature finds that intercity passenger rail is a highly efficient mode of transportation that connects small towns and major urban centers, and that the improvement of intercity passenger rail service through improvements to trip times, frequency, and reliability can enhance local economies and increase mobility options for Washington residents. Therefore, the legislature intends to reemphasize the need to prioritize the improvement of intercity passenger rail through data-driven analyses as it conducts project development work, including for the federal corridor identification and development program.

(2) The department shall prioritize the target goals in this subsection for the Amtrak Cascades service, with a goal of meeting them by 2035. The legislature recognizes that voluntary investments by the government of Canada, crown corporations, provincial entities, and Oregon state entities, will be required to achieve these target goals outside of Washington state borders.

(a) Service reliability: Increase on-time performance with a minimum trip reliability goal of 88 percent on-time performance.

(b) Service frequencies: A minimum of 14 round trips per day between Seattle and Portland and a minimum of five round trips per day between Seattle and Vancouver, British Columbia.

(c) Improvements to first and last mile connections: Create improved multimodal connectivity to other transportation options at stations.

(d) Emission reductions: Reduce greenhouse gas emissions in alignment with state goals.

(3) The department is required to prioritize the target goals set in subsection (2) of this section as it conducts project development work, including for the federal corridor identification and development program and for work that may be done in the future as part of the federal-state partnership for intercity passenger rail grant program. Project development work carried out by the department must include infrastructure investments and extensive coordination with host railroads, and other

service partners, as necessary to achieve these target goals.

(4)(a) The department shall report to the transportation committees of the legislature, as well as to the joint transportation committee, annually on analyses conducted and progress made to achieve the target goals in subsection (2) of this section, including any information required to be disclosed under this subsection (4).

(b)(i) If the department finds that one or more of the target goals set in subsection (2) of this section cannot be achieved due to a constraint unless it is mitigated by the legislature or another party, it must provide a full explanation of the constraint and detail what is necessary to mitigate it as part of the annual reporting requirement under (a) of this subsection.

(ii) If the department finds that one or more of the target goals set in subsection (2) of this section cannot be achieved due to a constraint that cannot be mitigated, even with assistance from the legislature or another party, it must provide a detailed explanation of the reasons it believes a target goal should be modified, either temporarily or for the indefinite future, to accommodate the identified unavoidable constraint as part of the annual reporting requirement under (a) of this subsection.

(5)(a) The joint transportation committee must conduct an independent review of the Amtrak Cascades 2024 preliminary service development plan and any subsequent public draft or final documents related to the system development plan that are released by December 31, 2026. The review must analyze the technical aspects of the plan, the public engagement strategies used in development of the plan, and the effectiveness of the communication within plan documents. The technical aspects of the plan include, but are not limited to, the ridership analysis, capacity analysis, future travel scenarios analysis, and identification of proposed infrastructure improvements. To the extent practicable, the review must include a cost benefit analysis of travel time improvements realized by projects in relation to project costs estimates.

(b) A final report summarizing findings of the review and recommendations for improving technical plan elements, as well as engagement and communication strategies is due by June 1, 2027. The report shall be submitted to the department, the transportation committees of the legislature, and the office of financial management."

On page 1, line 2 of the title, after "priorities;" strike the remainder of the title and insert "and adding a new section to chapter 47.79 RCW."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO.

1837 and advanced the bill, as amended by the Senate, to final passage.

Representatives Reed and Barkis spoke in favor of the passage of the bill.

Representative Walsh spoke against the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1837, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1837, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 65; Nays, 32; Absent, 0; Excused, 1

Voting Yea: Representatives Barkis, Berg, Bergquist, Bernbaum, Berry, Bronoske, Caldier, Callan, Cortes, Davis, Dent, Doglio, Donaghy, Duerr, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Low, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Waters, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barnard, Burnett, Chase, Connors, Corry, Couture, Dufault, Dye, Engell, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Penner, Rude, Schmick, Steele, Stokesbary, Stuebe, Volz, Walsh and Ybarra

Excused: Representative Lekanoff

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1837, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Thursday, April 10, 2025

Mme. Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1878, with the following amendment(s): 1878-S.E AMS ENGR S2852.E

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that young adults under the age of 25 who obtain their initial driver's license after turning 18 years of age and are therefore not required to complete some form of driver training education are statistically more likely to be involved in or cause serious injury or fatal crashes than their peers who completed driver training education before the age of 18. The legislature also finds that the demographic of young drivers 18 to 24 years of age are more likely to engage in unsafe driving practices through a combination of inexperience and high-risk behaviors. The legislature intends with this act to require young adults under the age of 25 to complete driver training education before obtaining an initial driver's license, when appropriate, and implement other driver

training courses when necessary to ensure they become better drivers and ensure our roads are safer for everyone.

NEW SECTION. Sec. 2. A new section is added to chapter 46.20 RCW to read as follows:

(1)(a) To obtain an initial driver's license under this section, except as provided in subsection (4) of this section, the following persons must, in addition to other skills and examination requirements as prescribed by the department, satisfactorily complete a driver training education course as defined in RCW 28A.220.020 or a driver training education course as defined by the department and offered by a driver training school licensed under chapter 46.82 RCW:

(i) A person at least 18 years of age but under 19 years of age, beginning January 1, 2027;

(ii) A person at least 18 years of age but under 20 years of age, beginning January 1, 2028;

(iii) A person at least 18 years of age but under 21 years of age, beginning January 1, 2029;

(iv) A person at least 18 years of age but under 22 years of age, beginning January 1, 2030.

(b) The course offered by a school district or an approved private school must be part of a traffic safety education program authorized by the office of the superintendent of public instruction and certified under chapter 28A.220 RCW. The course offered by a driver training school must meet the standards established by the department under chapter 46.82 RCW. A school district, approved private school, or driver training school may offer the behind-the-wheel instruction portion for up to four hours in a single day in cases of hardship, such as a student needing to travel a great distance to receive the behind-the-wheel instruction.

(c) Driver training schools licensed under chapter 46.82 RCW are encouraged to include a self-paced online course, or components of a self-paced online course, in the classroom instruction portion of driver training education courses, as authorized and certified by the department, to the extent feasible, and to focus teaching resources on the behind-the-wheel portion of driver training education.

(d) Eligibility to enroll in a driver training education course as defined in RCW 28A.220.020 under this section is limited to students who are enrolled in a public school, as defined in RCW 28A.150.010; enrolled in an approved private school under RCW 28A.305.130; or receiving home-based instruction in accordance with chapter 28A.200 RCW.

(2) To meet the traffic safety education requirement for a motorcycle endorsement under this section, the applicant must successfully complete a motorcycle safety education course that meets the standards established by the department.

(3) Beginning May 1, 2026, until January 1, 2031, an applicant for an initial driver's license under the age of 25 must pass an online course approved by the

department on driver work zone and first responder safety. The department may waive the requirement in this subsection if the department finds the online course is not available at the time of application. The department must contract with a provider of an online driver work zone and first responder safety course to host an online course that satisfies the requirement in this subsection to be made available at no cost to initial driver's license applicants under the age of 25.

(4) An applicant who was licensed to drive a motor vehicle or motorcycle from a reciprocal jurisdiction outside this state is exempt from the driver training education requirements under subsections (1) and (2) of this section.

(5)(a) The department may waive the driver training education course requirement for a driver's license under subsection (1) of this section if the applicant demonstrates to the department's satisfaction that:

(i) The applicant was unable to take or complete a driver training education course;

(ii) A need exists for the applicant to operate a motor vehicle; and

(iii) The applicant has the ability to operate a motor vehicle in such a manner as not to jeopardize the safety of persons or property.

(b) The department may adopt rules to implement this subsection (5) in coordination with the supervisor of the traffic safety education section of the office of the superintendent of public instruction.

(6) The department may waive the driver training education course requirement under subsection (1) of this section if the applicant provides proof that they have had education, from a reciprocal jurisdiction, equivalent to that required under subsection (1) of this section.

(7) Beginning by January 1, 2026, and annually thereafter until January 1, 2031, the department must report on the implementation of the driver's education requirement under subsection (1) of this section, including the readiness of the driver education school system to accommodate additional growth, to the transportation committees of the legislature.

(8) The department may, by rule, pause or delay the requirements under subsection (1) of this section if, upon an internal review, the department finds that there is an insufficient number of driver education and traffic safety education courses or instructors available for the pending age cohort under subsection (1) of this section.

(9)(a) Beginning January 1, 2027, any initial driver's license holder who is at least 18 years of age but under 22 years of age, and who has been found to have committed a traffic infraction for a moving violation on two occasions, must complete a safe driving course. If such person does not complete a safe driving course within 180 days of notice from the department, the department must suspend the person's driver's license until the safe driving course is completed.

(b)(i) Beginning January 1, 2027, until January 1, 2031, any initial driver's license holder who is at least 22 years of age but under 25 years of age, and who has been found to have committed a traffic infraction for a moving violation on two occasions, must complete a safe driving course. If such person does not complete a safe driving course within 180 days of notice from the department, the department must suspend the person's driver's license until the safe driving course is completed.

(ii) Beginning January 1, 2031, any initial driver's license holder who is at least 22 years of age but under 25 years of age, and who has been found to have committed a traffic infraction for a moving violation on two occasions, must complete a condensed traffic safety education course, as determined by the department in rule. If such person does not complete the condensed traffic safety education course within 180 days of notice from the department, the department must suspend the person's driver's license until the condensed traffic safety education course is completed.

(c) For purposes of this subsection (9), multiple traffic infractions issued during or as the result of a single traffic stop constitute one occasion.

(10) Beginning January 1, 2031, every initial driver's license for a person under the age of 21 expires on the latter of the licensee's 21st birthdate following issuance of the license or the licensee's second birthdate after the license issuance date. A person may not renew the person's driver's license under this subsection until satisfactorily completing a driver training education refresher course, as determined by the department in rule.

(11) For purposes of subsections (3), (9), and (10) of this section, "initial driver's license" means a driver's license issued to a driver who has not previously been issued a driver's license in this state.

Sec. 3. RCW 46.20.100 and 2024 c 162 s 2 are each amended to read as follows:

(1) **Application.** The application of a person under the age of 18 years for a driver's license or a motorcycle endorsement must be signed by a parent, guardian, employer, or responsible adult as defined in RCW 46.20.075.

(2) **Traffic safety education requirement.** For a person under the age of 18 years to obtain a driver's license, ~~((he or she))~~ the person must meet the traffic safety education requirements of this subsection.

(a) To meet the traffic safety education requirement for a driver's license ~~((the))~~:

(i) The applicant must satisfactorily complete a driver training education course as defined in RCW 28A.220.020 for a course offered by a school district or approved private school, or a driver training education course as defined by the department of licensing for a course offered by a driver training school licensed under chapter 46.82 RCW. The course offered by a school district or an approved private school must be part of a traffic safety education program authorized by the office

of the superintendent of public instruction and certified under chapter 28A.220 RCW. The course offered by a driver training school must meet the standards established by the department of licensing under chapter 46.82 RCW. A school district, approved private school, or driver training school may offer the behind-the-wheel instruction portion for up to four hours in a single day in cases of hardship, such as a student needing to travel a great distance to receive the behind-the-wheel instruction. The driver training education course may be provided by:

~~((i))~~ (A) A secondary school within a school district or approved private school that establishes and maintains an approved and certified traffic safety education program under chapter 28A.220 RCW; or

~~((ii))~~ (B) A driver training school licensed under chapter 46.82 RCW that is annually approved by the department of licensing; and

(ii) Beginning May 1, 2026, until January 1, 2031, the applicant must satisfactorily complete the applicable driver work zone and first responder safety course required under section 2(3) of this act.

(b) Driver training schools licensed under chapter 46.82 RCW are encouraged to include a self-paced online course, or components of a self-paced online course, in the classroom instruction portion of driver training education courses, as authorized and certified by the department, to the extent feasible, and to focus teaching resources on the behind-the-wheel portion of driver training education.

(c) To meet the traffic safety education requirement for a motorcycle endorsement, the applicant must successfully complete a motorcycle safety education course that meets the standards established by the department of licensing.

~~((e))~~ (d) The department may waive the driver training education course requirement for a driver's license if the applicant demonstrates to the department's satisfaction that:

~~((He or she))~~ The applicant was unable to take or complete a driver training education course;

(ii) A need exists for the applicant to operate a motor vehicle; and

~~((He or she))~~ The applicant has the ability to operate a motor vehicle in such a manner as not to jeopardize the safety of persons or property. The department may adopt rules to implement this subsection (2) ~~((e))~~ (d) in ~~((concert))~~ collaboration with the supervisor of the traffic safety education section of the office of the superintendent of public instruction.

~~((d))~~ (e) The department may waive the driver training education course requirement if the applicant was licensed to drive a motor vehicle or motorcycle from a reciprocal jurisdiction outside this state ((and)) or provides proof that he or she has had education equivalent, from a reciprocal jurisdiction, to that required under this subsection.

Sec. 4. RCW 46.20.075 and 2024 c 162 s 1 are each amended to read as follows:

(1) An intermediate license authorizes the holder to drive a motor vehicle under the conditions specified in this section. An applicant for an intermediate license must be at least 16 years of age and:

(a) Have possessed a valid instruction permit for a period of not less than six months;

(b) Have passed a driver licensing examination administered by the department;

(c) Have passed a course of driver's education in accordance with the standards established in RCW 46.20.100;

(d) Until January 1, 2031, have met the applicable driver work zone and first responder safety course requirement under section 2(3) of this act;

(e) Present certification by his or her parent, guardian, employer, or responsible adult to the department stating (i) that the applicant has had at least 50 hours of driving experience, 10 of which were at night, during which the driver was supervised by a person at least 21 years of age who has had a valid driver's license for at least three years, and (ii) that the applicant has not been issued a notice of traffic infraction or cited for a traffic violation that is pending at the time of the application for the intermediate license;

~~((+e-))~~ (f) Not have been convicted of or found to have committed a traffic violation within the last six months before the application for the intermediate license; and

~~((+f-))~~ (g) Not have been adjudicated for an offense involving the use of alcohol or drugs during the period the applicant held an instruction permit.

(2) For the first six months after the issuance of an intermediate license or until the holder reaches 18 years of age, whichever occurs first, the holder of the license may not operate a motor vehicle that is carrying any passengers under the age of 20 who are not members of the holder's immediate family. For the remaining period of the intermediate license, the holder may not operate a motor vehicle that is carrying more than three passengers who are under the age of 20 who are not members of the holder's immediate family.

(3) The holder of an intermediate license may not operate a motor vehicle between the hours of 1 a.m. and 5 a.m. except (a) when the holder is accompanied by a licensed driver who is at least 25 years of age, or (b) for school, religious, or employment activities for the holder or a member of the holder's immediate family as defined in this section.

(4) The holder of an intermediate license may not operate a moving motor vehicle while using a wireless communications device unless the holder is using the device to report illegal activity, summon medical or other emergency help, or prevent injury to a person or property.

(5) It is a traffic infraction for the holder of an intermediate license to operate a motor vehicle in violation of the restrictions imposed under this section.

(6) Except for a violation of subsection (4) of this section, enforcement of this section by law enforcement officers may be accomplished only as a secondary action when

a driver of a motor vehicle has been detained for a suspected violation of this title or an equivalent local ordinance or some other offense.

(7) An intermediate licensee may drive at any hour without restrictions on the number of passengers in the vehicle if necessary for agricultural purposes.

(8) An intermediate licensee may drive at any hour without restrictions on the number of passengers in the vehicle if, for the 12-month period following the issuance of the intermediate license, he or she:

(a) Has not been involved in an accident involving only one motor vehicle;

(b) Has not been involved in an accident where he or she was cited in connection with the accident or was found to have caused the accident;

(c) Has not been involved in an accident where no one was cited or was found to have caused the accident; and

(d) Has not been convicted of or found to have committed a traffic offense described in chapter 46.61 RCW or violated restrictions placed on an intermediate licensee under this section.

(9) For the purposes of this section, the following definitions apply:

(a) "Immediate family" means an individual's spouse or domestic partner, child, stepchild, grandchild, parent, stepparent, grandparent, brother, half-brother, sister, or half-sister of the individual, including foster children living in the household, and the spouse or the domestic partner of any such person, and a child, stepchild, grandchild, parent, stepparent, grandparent, brother, half-brother, sister, or half-sister of the individual's spouse or domestic partner, and the spouse or the domestic partner of any such person.

(b) "Responsible adult" means a person specifically authorized by the department who is over the age of 21 and:

(i) Has a familial, kinship, or caretaker relationship to a minor;

(ii) Is an educational, medical, legal, social service, or Washington state licensed mental health professional who provides support directly to a minor in a professional capacity; or

(iii) Is an employee of a government entity and provides support to a minor in a professional capacity.

Sec. 5. RCW 46.20.181 and 2021 c 158 s 8 are each amended to read as follows:

(1) Except as provided in subsection (4) or (5) of this section or section 2(10) of this act, every driver's license expires on the eighth anniversary of the licensee's birthdate following the issuance of the license.

(2) A person may renew a license on or before the expiration date by submitting an application as prescribed by the department and paying a fee of ~~((seventy-two dollars))~~ \$72. This fee includes the fee for the required photograph.

(3) A person renewing a driver's license more than ~~((sixty))~~ 60 days after the license has expired shall pay a penalty fee of ~~((ten~~

dollars))\$10 in addition to the renewal fee, unless the license expired when:

(a) The person was outside the state and the licensee renews the license within ~~((sixty))~~60 days after returning to this state; or

(b) The person was incapacitated and the licensee renews the license within ~~((sixty))~~60 days after the termination of the incapacity.

(4) The department may issue or renew a driver's license for a period other than eight years, or may extend by mail or electronic commerce a license that has already been issued. The fee for a driver's license issued or renewed for a period other than eight years, or that has been extended by mail or electronic commerce, is nine dollars for each year that the license is issued, renewed, or extended. The department must offer the option to issue or renew a driver's license for six years in addition to the eight year issuance. The department may adopt any rules as are necessary to carry out this subsection.

(5) A driver's license that includes a hazardous materials endorsement under chapter 46.25 RCW may expire on an anniversary of the licensee's birthdate other than the eighth year following issuance or renewal of the license in order to match, as nearly as possible, the validity of certification from the federal transportation security administration that the licensee has been determined not to pose a security risk. The fee for a driver's license issued or renewed for a period other than eight years is ~~((nine dollars))~~\$9 for each year that the license is issued or renewed, not including any endorsement fees. The department may adjust the expiration date of a driver's license that has previously been issued to conform to the provisions of this subsection if a hazardous materials endorsement is added to the license subsequent to its issuance. If the validity of the driver's license is extended, the licensee must pay a fee of ~~((nine dollars))~~\$9 for each year that the license is extended.

(6) The department may adopt any rules as are necessary to carry out this section.

Sec. 6. RCW 46.82.420 and 2023 c 32 s 1 are each amended to read as follows:

(1) The department and the office of the superintendent of public instruction shall jointly develop and maintain a required curriculum as specified in RCW 28A.220.035. The department shall furnish to each qualifying applicant for an instructor's license or a driver training school license a copy of such curriculum.

(2) In addition to information on the safe, lawful, and responsible operation of motor vehicles on the state's highways, the required curriculum shall include information on:

(a) Intermediate driver's license issuance, passenger and driving restrictions and sanctions for violating the restrictions, and the effect of traffic violations and collisions on the driving privileges;

(b) The effects of alcohol and drug use on motor vehicle operators, including information on drug and alcohol related traffic injury and mortality rates in the state of Washington and the current penalties for driving under the influence of drugs or alcohol;

(c) Motorcycle awareness, approved by the director, to ensure new operators of motor vehicles have been instructed in the importance of safely sharing the road with motorcyclists;

(d) Bicycle safety, to ensure that operators of motor vehicles have been instructed in the importance of safely sharing the road with bicyclists;

(e) Pedestrian safety, to ensure that operators of motor vehicles have been instructed in the importance of safely sharing the road with pedestrians; ~~((and))~~

(f) Commercial vehicle, bus, and other large vehicle awareness, to ensure new operators of motor vehicles have been instructed in the importance of sharing the road with large vehicles; and

(g) Work zone and first responder safety awareness, to ensure new operators of motor vehicles have been instructed in the importance of sharing the road with workers in roadway work zones and first responder vehicles and personnel.

(3) Should the director be presented with acceptable proof that any licensed instructor or driver training school is not showing proper diligence in teaching the required curriculum, the instructor or school shall be required to appear before the director and show cause why the license of the instructor or school should not be revoked for such negligence. If the director does not accept such reasons as may be offered, the director may revoke the license of the instructor or school, or both.

NEW SECTION. Sec. 7. A new section is added to chapter 46.20 RCW to read as follows:

The department may approve the use of electronic translation devices to support the driver's license application and issuance process, including for: Driver training education purposes, including for behind-the-wheel instruction; driver's license examination purposes; and assessment purposes.

Sec. 8. RCW 46.82.280 and 2023 c 445 s 3 are each amended to read as follows:

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

(1) "Behind-the-wheel instruction" means instruction in an approved driver training school instruction vehicle according to and inclusive of the required curriculum. Behind-the-wheel instruction is characterized by driving experience.

(2) "Classroom" means a space dedicated to and used exclusively by a driver training instructor for the instruction of students. With prior department approval, a branch office classroom may be located within alternative facilities, such as a public or private library, school, community college,

college or university, or a business training facility.

(3) "Classroom instruction" means that portion of a traffic safety education course that is characterized by in-person classroom-based student instruction or virtual classroom-based student instruction with a live instructor using the required curriculum conducted by or under the direct supervision of a licensed instructor or licensed instructors. Classroom instruction may include a self-paced((7)) online course, or components of a self-paced online course, as authorized and certified by the department of licensing.

(4) "Condensed traffic safety education course" means a course of instruction in traffic safety education approved and licensed by the department that consists of at least eight hours of classroom instruction and three hours of behind-the-wheel instruction that follows the approved curriculum as determined in rule.

(5) "Director" means the director of the department of licensing of the state of Washington.

((+5-)) (6) "Driver training education course" means a course of instruction in traffic safety education approved and licensed by the department of licensing that consists of classroom and behind-the-wheel instruction that follows the approved curriculum.

((+6-)) (7) "Driver training education refresher course" means a course of instruction in traffic safety education approved and licensed by the department that follows the approved curriculum as determined in rule and includes, but is not limited to, a focus on driver risk management and hazard perception.

(8) "Driver training school" means a commercial driver training school engaged in the business of giving instruction, for a fee, in the operation of automobiles.

((+7-)) (9) "Enrollment" means the collecting of a fee or the signing of a contract for a driver training education course. "Enrollment" does not include the collecting of names and contact information for enrolling students once a driver training school is licensed to instruct.

((+8-)) (10) "Fraudulent practices" means any conduct or representation on the part of a driver training school owner or instructor including:

(a) Inducing anyone to believe, or to give the impression, that a license to operate a motor vehicle or any other license granted by the director may be obtained by any means other than those prescribed by law, or furnishing or obtaining the same by illegal or improper means, or requesting, accepting, or collecting money for such purposes;

(b) Operating a driver training school without a license, providing instruction without an instructor's license, verifying enrollment prior to being licensed, misleading or false statements on applications for a commercial driver training school license or instructor's license or on any required records or supporting documentation;

(c) Failing to fully document and maintain all required driver training school

records of instruction, school operation, and instructor training;

(d) Issuing a driver training course certificate without requiring completion of the necessary behind-the-wheel and classroom instruction.

((+9-)) (11) "Instructor" means any person employed by or otherwise associated with a driver training school to instruct persons in the operation of an automobile.

((+10-)) (12) "Owner" means an individual, partnership, corporation, association, or other person or group that holds a substantial interest in a driver training school.

((+11-)) (13) "Person" means any individual, firm, corporation, partnership, or association.

((+12-)) (14) "Place of business" means a designated location at which the business of a driver training school is transacted or its records are kept.

((+13-)) (15) "Student" means any person enrolled in an approved driver training course.

((+14-)) (16) "Substantial interest holder" means a person who has actual or potential influence over the management or operation of any driver training school. Evidence of substantial interest includes, but is not limited to, one or more of the following:

(a) Directly or indirectly owning, operating, managing, or controlling a driver training school or any part of a driver training school;

(b) Directly or indirectly profiting from or assuming liability for debts of a driver training school;

(c) Is an officer or director of a driver training school;

(d) Owning 10 percent or more of any class of stock in a privately or closely held corporate driver training school, or five percent or more of any class of stock in a publicly traded corporate driver training school;

(e) Furnishing 10 percent or more of the capital, whether in cash, goods, or services, for the operation of a driver training school during any calendar year; or

(f) Directly or indirectly receiving a salary, commission, royalties, or other form of compensation from the activity in which a driver training school is or seeks to be engaged.

Sec. 9. RCW 28A.220.020 and 2017 c 197 s 2 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) "Appropriate course delivery standards" means the classroom and behind-the-wheel student learning experiences considered acceptable to the superintendent of public instruction under RCW 28A.220.030 that must be satisfactorily accomplished by the student in order to successfully complete the driver training education course.

(2) "Approved private school" means a private school approved by the board of education under chapter 28A.195 RCW.

(3) "Director" means the director of the department of licensing.

(4) "Driver training education course" means a course of instruction in traffic safety education (a) offered as part of a traffic safety education program authorized by the superintendent of public instruction and certified by the department of licensing and (b) taught by a qualified teacher of driver training education that consists of classroom and behind-the-wheel instruction using curriculum that meets joint superintendent of public instruction and department of licensing standards and the course requirements established by the superintendent of public instruction under RCW 28A.220.030. Behind-the-wheel instruction is characterized by driving experience. Classroom instruction is characterized by in-person classroom-based student instruction or virtual classroom-based student instruction with a live instructor.

(5) "Qualified teacher of driver training education" means an instructor who:

(a) Is certificated under chapter 28A.410 RCW and has obtained a traffic safety endorsement or a letter of approval to teach traffic safety education from the superintendent of public instruction or is certificated by the superintendent of public instruction to teach a driver training education course; or

(b) Is an instructor provided by a driver training school that has contracted with a school district's or districts' board of directors under RCW 28A.220.030(3) to teach driver education for the school district.

(6) "Superintendent" or "state superintendent" means the superintendent of public instruction.

(7) "Traffic safety education program" means the administration and provision of driver training education courses offered by secondary schools of a school district or vocational-technical schools that are conducted by such schools in a like manner to their other regular courses.

NEW SECTION. Sec. 10. A new section is added to chapter 46.82 RCW to read as follows:

(1) Subject to the availability of amounts appropriated in the omnibus transportation appropriations act for this specific purpose, the department must establish a program to expand education opportunities for driver training school instructors, specifically certification training programs.

(2) As part of the program, the department must:

(a) Implement a comprehensive traffic safety education program to train driver training school instructors;

(b) Establish mentorship programs and offer specialized grant programs or financial incentives to encourage diversity within the driver training school industry;

(c) Collaborate with the office of the superintendent of public instruction to align instructor requirements under the department and office of the superintendent of public instruction rules to streamline

the process of obtaining a driver training school instructor certification; and

(d) Facilitate partnerships between private driver training schools and high schools, vocational-technical schools, colleges, or universities to enable private driver training school instructors to teach driver training education courses in school facilities. Such courses are not eligible for school credit.

(3) The department must submit an annual report to the appropriate committees of the legislature every July 1st, beginning July 1, 2026, detailing program activities. The report due July 1, 2030, must also provide a programmatic and funding needs assessment and any recommendations to support the program.

NEW SECTION. Sec. 11. A new section is added to chapter 46.82 RCW to read as follows:

(1) Beginning January 1, 2027, and subject to the availability of funds appropriated in the omnibus transportation appropriations act for this specific purpose, the department must establish a program to provide vouchers for individuals at least 15 years of age but under 25 years of age to cover up to the average cost of driver training education courses for drivers who reside in low-income households, with the goal of assisting as many people as possible with the greatest need, measured both by income and mobility needs otherwise unserved, to access driver training education. A voucher may be applied to the cost of a course offered by a school district or an approved private school under chapter 28A.220 RCW, the cost of a course offered by a driver training school under this chapter, the cost of a driver training education refresher course, the cost of a safe driving course if required under section 2(9) of this act, or the cost of a condensed traffic safety education course. A voucher may not be provided more than once for any of the eligible courses under this subsection.

(2) In consultation with the Washington traffic safety commission, the department shall adopt rules establishing eligibility criteria and application and award procedures, and any other necessary rules, for implementing this section.

(3) An applicant who has previously received financial support to complete a driver training program under RCW 74.13.338(2)(b) or 49.04.290 is deemed ineligible for a voucher under this section.

(4) Driver training education course costs or fees may not be inflated to offset any voucher amounts provided by applicants. The department may evaluate such course pricing to determine if costs or fees have been inflated for this purpose.

(5) By December 1, 2025, the department, in consultation with the Washington traffic safety commission and the department of social and health services, shall provide to the appropriate committees of the legislature a policy framework and guidelines for the voucher program, to include the following considerations:

(a) Targeted demographics, including individuals or families who are cost burdened or eligible to receive funds under economic and community services programs;

(b) Consideration of the need for a vehicle by geography, taking into account mobility needs and other mobility options available in a community;

(c) An approach to reach young adults over the age of 18, especially for those enrolled in community or technical colleges; and

(d) Recommended voucher funding levels for projected or anticipated eligible individuals.

(6) Beginning January 1, 2028, the department shall annually report to the transportation committees of the legislature the following:

(a) The income criteria used to determine voucher awards for driver training education courses;

(b) The number of applicants for driver training education vouchers annually by county;

(c) The number of vouchers awarded annually by county;

(d) The number of vouchers redeemed annually by county;

(e) The dollar amount of vouchers redeemed annually by county;

(f) The community average income of voucher recipients during the reporting period; and

(g) The number of eligible applicants who did not receive or could not use a voucher.

(7) This section does not create an entitlement to receive voucher program funds.

NEW SECTION. Sec. 12. A new section is added to chapter 42.56 RCW to read as follows:

Any recipient income data collected by the department of licensing as part of the driver training education course voucher program established under section 11 of this act is exempt from disclosure under this chapter.

NEW SECTION. Sec. 13. A new section is added to chapter 46.82 RCW to read as follows:

(1) Beginning July 1, 2026, and subject to the availability of funds appropriated in the omnibus transportation appropriations act for this specific purpose, the department must establish a program to partner with tribal governments to provide young driver education and training in tribal communities.

(2) By January 1, 2026, the department must provide to the appropriate committees of the legislature an implementation plan for the program. On a biennial basis beginning July 1, 2027, the department must report to the appropriate committees of the legislature on program activities.

Sec. 14. RCW 46.20.120 and 2021 c 158 s 6 are each amended to read as follows:

An applicant for a new or renewed driver's license must successfully pass a driver licensing examination to qualify for

a driver's license. The department must ensure that examinations are given at places and times reasonably available to the people of this state. If the department does not administer driver licensing examinations as a routine part of its licensing services within a department region because adequate testing sites are provided by driver training schools or school districts within that region, the department shall, at a minimum, administer driver licensing examinations by appointment to applicants ~~((eighteen))~~ 18 years of age and older in at least one licensing office within that region.

(1) **Waiver.** The department may waive:

(a) All or any part of the examination of any person applying for the renewal of a driver's license unless the department determines that the applicant is not qualified to hold a driver's license under this title; or

(b) All or any part of the examination involving operating a motor vehicle if the applicant:

(i) Surrenders a valid driver's license issued by the person's previous home state; or

(ii) Provides for verification a valid driver's license issued by a foreign driver licensing jurisdiction with which the department has an informal agreement under RCW 46.20.125; and

(iii) Is otherwise qualified to be licensed.

(2) **Fee.** ~~((Each))~~ Prior to January 1, 2026, each applicant for a new license must pay an ~~((examination))~~ application fee of ~~((thirty-five dollars))~~ \$35. On or after January 1, 2026, each applicant for a new license must pay an application fee of \$50.

(a) The ~~((examination))~~ application fee is in addition to the fee charged for issuance of the license.

(b) "New license" means a license issued to a driver:

(i) Who has not been previously licensed in this state; or

(ii) Whose last previous Washington license has been expired for more than eight years.

(3) An application for driver's license renewal may be submitted by means of:

(a) Personal appearance before the department;

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew the license by mail or by electronic commerce when it last expired; or

(c) From January 1, 2022, to June 30, 2024, electronic commerce, if permitted by rule of the department.

(4) A person whose license expired or will expire while the licensee is living outside the state, may:

(a) Apply to the department to extend the validity of the license for no more than ~~((twelve))~~ 12 months. If the person establishes to the department's satisfaction that the licensee is unable to return to Washington before the date the license expires, the department shall extend the person's license. The department may grant consecutive extensions, but in no event may the cumulative total of extensions exceed

((~~twelve~~))12 months. An extension granted under this section does not change the expiration date of the license for purposes of RCW 46.20.181. The department shall charge a fee of ((~~five dollars~~))\$5 for each license extension;

(b) Apply to the department to renew the license by mail or, if permitted by rule of the department, by electronic commerce even if subsection (3)(b) of this section would not otherwise allow renewal by that means. If the person establishes to the department's satisfaction that the licensee is unable to return to Washington within ((~~twelve~~))12 months of the date that the license expires, the department shall renew the person's license by mail or, if permitted by rule of the department, by electronic commerce.

(5)(a) If a qualified person submits an application for renewal under subsection (3) (b) or (c) or (4)(b) of this section, the applicant is not required to pass an examination and only needs to provide an updated photograph:

(i) At least every 16 years, except that persons under 30 must provide an updated photograph every eight years; and

(ii) Beginning January 1, 2023, persons renewing through electronic commerce must provide an updated photograph in a form and manner approved by the department with each renewal unless they are unable to provide a photograph that meets the department's requirements and the most recent photograph on file with the department is not more than 10 years old at the time of renewal.

(b) A license renewed by mail or by electronic commerce that does not include a photograph of the licensee must be labeled "not valid for identification purposes."

(6) Driver training schools licensed by the department under chapter 46.82 RCW may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle.

(7) School districts that offer a traffic safety education program under chapter 28A.220 RCW may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle.

Sec. 15. RCW 46.20.055 and 2021 c 158 s 3 are each amended to read as follows:

(1) **Driver's instruction permit.** The department may issue a driver's instruction permit online or in person with or without a photograph to an applicant who has successfully passed all parts of the examination other than the driving test, provided the information required by RCW 46.20.091, paid an application fee of ((~~twenty-five dollars~~))\$25 prior to January 1, 2026, and \$35 on or after January 1, 2026, and meets the following requirements:

(a) Is at least ((~~fifteen and one-half~~))15.5 years of age; or

(b) Is at least ((~~fifteen~~))15 years of age and:

(i) Has submitted a proper application; and

(ii) Is enrolled in a driver training education course offered as part of a traffic safety education program authorized by the office of the superintendent of public instruction and certified under chapter 28A.220 RCW or offered by a driver training school licensed and inspected by the department of licensing under chapter 46.82 RCW, that includes practice driving.

(2) **Waiver of written examination for instruction permit.** The department may waive the written examination, if, at the time of application, an applicant is enrolled in a driver training education course as defined in RCW 46.82.280 or 28A.220.020.

The department may require proof of registration in such a course as it deems necessary.

(3) **Effect of instruction permit.** A person holding a driver's instruction permit may drive a motor vehicle, other than a motorcycle, upon the public highways if:

(a) The person has immediate possession of the permit;

(b) The person is not using a wireless communications device, unless the person is using the device to report illegal activity, summon medical or other emergency help, or prevent injury to a person or property; and

(c) A driver training education course instructor who meets the qualifications of chapter 46.82 or 28A.220 RCW, or a licensed driver with at least five years of driving experience, occupies the seat beside the driver.

(4) **Term of instruction permit.** A driver's instruction permit is valid for one year from the date of issue.

(a) The department may issue one additional one-year permit.

(b) The department may issue a third driver's instruction permit if it finds after an investigation that the permittee is diligently seeking to improve driving proficiency.

(c) A person applying for an additional instruction permit must submit the application to the department and pay an application fee of ((~~twenty-five dollars~~)) \$25 for each issuance.

Sec. 16. RCW 46.68.041 and 2022 c 182 s 210 are each amended to read as follows:

(1) Except as provided in subsections (2) ((~~and (3)~~))through (4) of this section, the department must forward all funds accruing under the provisions of chapter 46.20 RCW together with a proper identifying, detailed report to the state treasurer who must deposit such moneys to the credit of the highway safety fund.

(2) Fifty-six percent of each fee collected by the department under RCW 46.20.311 (1)(e)(ii), (2)(b)(ii), and (3)(b) must be deposited in the impaired driving safety account.

(3) Fifty percent of the revenue from the fees imposed under RCW 46.20.200(2) must be deposited in the move ahead WA flexible account created in RCW 46.68.520.

(4)(a) Beginning January 1, 2026, \$15 of the driver's application fee imposed under RCW 46.20.120(2) must be deposited into the driver education safety improvement account created in section 20 of this act.

(b) Beginning January 1, 2026, \$10 of the driver's instruction permit application fee imposed under RCW 46.20.055(1) must be deposited into the driver education safety improvement account created in section 20 of this act.

Sec. 17. RCW 46.17.025 and 2023 c 431 s 3 are each amended to read as follows:

(1) A person who applies for a vehicle registration or for any other right to operate a vehicle on the highways of this state shall pay a ~~((50))75~~ cent license service fee in addition to any other fees and taxes required by law. ~~((The))Except as provided in subsection (3) of this section,~~ the license service fee must be distributed under RCW 46.68.220.

(2) A vehicle registered under RCW 46.16A.455 or 46.17.330 is not subject to the license service fee, except for a vehicle subject to the fee under RCW 46.17.355.

(3) ~~((The))~~(a) Two-thirds of the revenue generated from subsection (2) of this section must be deposited in the move ahead WA account created in RCW 46.68.510.

(b) One-third of the revenue generated from subsections (1) and (2) of this section must be deposited into the driver education safety improvement account created in section 20 of this act.

Sec. 18. RCW 46.68.220 and 2011 c 367 s 719 are each amended to read as follows:

The department of licensing services account is created in the motor vehicle fund. ~~((All))Except as provided in RCW 46.17.025,~~ all receipts from service fees received under RCW 46.17.025 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for:

(1) Information and service delivery systems for the department;

(2) Reimbursement of county licensing activities; and

(3) County auditor or other agent and subagent support including, but not limited to, the replacement of department-owned equipment in the possession of county auditors or other agents and subagents appointed by the director. ~~((During the 2011-2013 fiscal biennium, the legislature may transfer from the department of licensing services account such amounts as reflect the excess fund balance of the account.))~~

Sec. 19. RCW 46.63.200 and 2024 c 308 s 4 are each amended to read as follows:

(1) This section applies to the use of speed safety camera systems in state highway work zones.

(2) Nothing in this section prohibits a law enforcement officer from issuing a notice of infraction to a person in control of a vehicle at the time a violation occurs under RCW 46.63.030(1) (a), (b), or (c).

(3)(a) The department of transportation is responsible for all actions related to the operation and administration of speed safety camera systems in state highway work

zones including, but not limited to, the procurement and administration of contracts necessary for the implementation of speed safety camera systems, the mailing of notices of infraction, and the development and maintenance of a public-facing website for the purpose of educating the traveling public about the use of speed safety camera systems in state highway work zones. Prior to the use of a speed safety camera system to capture a violation established in this section for enforcement purposes, the department of transportation, in consultation with the Washington state patrol, department of licensing, office of administrative hearings, Washington traffic safety commission, and other organizations committed to protecting civil rights, must adopt rules addressing such actions and take all necessary steps to implement this section.

(b) The Washington state patrol is responsible for all actions related to the enforcement and adjudication of speed violations under this section including, but not limited to, notice of infraction verification and issuance authorization, and determining which types of emergency vehicles are exempt from being issued notices of infraction under this section. Prior to the use of a speed safety camera system to capture a violation established in this section for enforcement purposes, the Washington state patrol, in consultation with the department of transportation, department of licensing, office of administrative hearings, Washington traffic safety commission, and other organizations committed to protecting civil rights, must adopt rules addressing such actions and take all necessary steps to implement this section.

(c) When establishing rules under this subsection (3), the department of transportation and the Washington state patrol may also consult with other public and private agencies that have an interest in the use of speed safety camera systems in state highway work zones.

(4)(a) No person may drive a vehicle in a state highway work zone at a speed greater than that allowed by traffic control devices.

(b) A notice of infraction may only be issued under this section if a speed safety camera system captures a speed violation in a state highway work zone when workers are present.

(5) The penalty for a speed safety camera system violation is: (a) \$0 for the first violation; and (b) \$248 for the second violation, and for each violation thereafter.

(6) During the 30-day period after the first speed safety camera system is put in place, the department is required to conduct a public awareness campaign to inform the public of the use of speed safety camera systems in state highway work zones.

(7)(a) A notice of infraction issued under this section may be mailed to the registered owner of the vehicle within 30 days of the violation, or to the renter of a vehicle within 30 days of establishing the renter's name and address. The law enforcement officer issuing the notice of

infraction shall include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by a speed safety camera stating the facts supporting the notice of infraction. This certificate or facsimile is prima facie evidence of the facts contained in it and is admissible in a proceeding charging a violation under this section. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the violation.

(b) A notice of infraction represents a determination that an infraction has been committed, and the determination will be final unless contested as provided under this section.

(c) A person receiving a notice of infraction based on evidence detected by a speed safety camera system must, within 30 days of receiving the notice of infraction: (i) Except for a first violation under subsection (5)(a) of this section, remit payment in the amount of the penalty assessed for the violation; (ii) contest the determination that the infraction occurred by following the instructions on the notice of infraction; or (iii) admit to the infraction but request a hearing to explain mitigating circumstances surrounding the infraction.

(d) If a person fails to respond to a notice of infraction, a final order shall be entered finding that the person committed the infraction and assessing monetary penalties required under subsection (5)(b) of this section.

(e) If a person contests the determination that the infraction occurred or requests a mitigation hearing, the notice of infraction shall be referred to the office of administrative hearings for adjudication consistent with chapter 34.05 RCW.

(f) At a hearing to contest an infraction, the agency issuing the infraction has the burden of proving, by a preponderance of the evidence, that the infraction was committed.

(g) A person may request a payment plan at any time for the payment of any penalty or other monetary obligation associated with an infraction under this section. The agency issuing the infraction shall provide information about how to submit evidence of inability to pay, how to obtain a payment plan, and that failure to pay or enter into a payment plan may result in collection action or nonrenewal of the vehicle registration. The office of administrative hearings may authorize a payment plan if it determines that a person is not able to pay the monetary obligation, and it may modify a payment plan at any time.

(8)(a) Speed safety camera systems may only take photographs, microphotographs, or electronic images of the vehicle and vehicle license plate and only while a speed violation is occurring. The photograph, microphotograph, or electronic image must not reveal the face of the driver or any passengers in the vehicle. The department of transportation shall consider installing

speed safety camera systems in a manner that minimizes the impact of camera flash on drivers.

(b) The registered owner of a vehicle is responsible for a traffic infraction under RCW 46.63.030 unless the registered owner overcomes the presumption in RCW 46.63.075 or, in the case of a rental car business, satisfies the conditions under (f) of this subsection. If appropriate under the circumstances, a renter identified under (f) (i) of this subsection is responsible for the traffic infraction.

(c) Notwithstanding any other provision of law, all photographs, microphotographs, or electronic images, or any other personally identifying data prepared under this section are for the exclusive use of the Washington state patrol and department of transportation in the discharge of duties under this section and are not open to the public and may not be used in court in a pending action or proceeding unless the action or proceeding relates to a speed violation under this section. This data may be used in administrative appeal proceedings relative to a violation under this section.

(d) All locations where speed safety camera systems are used must be clearly marked before activation of the camera system by placing signs in locations that clearly indicate to a driver that they are entering a state highway work zone where posted speed limits are monitored by a speed safety camera system. Additionally, where feasible and constructive, radar speed feedback signs will be placed in advance of the speed safety camera system to assist drivers in complying with posted speed limits. Signs placed in these locations must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

(e) Imposition of a penalty for a speed violation detected through the use of speed safety camera systems shall not be deemed a conviction as defined in RCW 46.25.010, and shall not be part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of speed safety camera systems under this section shall be processed in the same manner as parking infractions, including for the purposes of RCW 46.16A.120 and 46.20.270(2).

(f) If the registered owner of the vehicle is a rental car business, the department of transportation shall, before a notice of infraction may be issued under this section, provide a written notice to the rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within 30 days of receiving the written notice, provide to the issuing agency by return mail:

(i)(A) A statement under oath stating the name and known mailing address of the individual driving or renting the vehicle when the speed violation occurred;

(B) A statement under oath that the business is unable to determine who was driving or renting the vehicle at the time the speed violation occurred because the

vehicle was stolen at the time of the violation. A statement provided under this subsection (8)(f)(i)(B) must be accompanied by a copy of a filed police report regarding the vehicle theft; or

(C) In lieu of identifying the vehicle operator, payment of the applicable penalty.

(ii) Timely mailing of a statement to the department of transportation relieves a rental car business of any liability under this chapter for the notice of infraction.

(9) Revenue generated from the deployment of speed safety camera systems must be deposited into the highway safety fund and first used exclusively for the operating and administrative costs under this section. The operation of speed safety camera systems is intended to increase safety in state highway work zones by changing driver behavior. ~~((Consequently, any))~~ Any revenue generated that exceeds the operating and administrative costs under this section must be ~~((distributed for the purpose of traffic safety including, but not limited to, driver training education and local DUI emphasis patrols))~~ transferred to the driver education safety improvement account created in section 20 of this act as designated in the omnibus transportation appropriations act.

(10) The Washington state patrol and department of transportation, in collaboration with the Washington traffic safety commission, must report to the transportation committees of the legislature by July 1, 2025, and biennially thereafter, on the data and efficacy of speed safety camera system use in state highway work zones. The final report due on July 1, 2029, must include a recommendation on whether or not to continue such speed safety camera system use beyond June 30, 2030.

(11) For the purposes of this section:

(a) "Speed safety camera system" means employing the use of speed measuring devices and cameras synchronized to automatically record one or more sequenced photographs, microphotographs, or other electronic images of a motor vehicle that exceeds a posted state highway work zone speed limit as detected by the speed measuring devices.

(b) "State highway work zone" means an area of any highway with construction, maintenance, utility work, or incident response activities authorized by the department of transportation. A state highway work zone is identified by the placement of temporary traffic control devices that may include signs, channelizing devices, barriers, pavement markings, and/or work vehicles with warning lights. It extends from the first warning sign or high intensity rotating, flashing, oscillating, or strobe lights on a vehicle to the end road work sign or the last temporary traffic control device or vehicle.

(12) This section expires June 30, 2030.

NEW SECTION. Sec. 20. A new section is added to chapter 46.20 RCW to read as follows:

The driver education safety improvement account is created in the state treasury. The portion of the driver's application fee prescribed under RCW 46.68.041(4)(a), the portion of the driver's instruction permit

application fee prescribed under RCW 46.68.041(4)(b), and the portion of the license service fee prescribed under RCW 46.17.025 must be deposited in the account. The account may also receive a portion of the revenue from traffic infraction fines as described under RCW 46.63.200(9). Moneys in the account may be spent only after appropriation. Expenditures from the account may only be used for expanding and improving driver's education programs and activities including, but not limited to, the online work zone and first responder safety course under section 2(3) of this act, the driver training school instructor education opportunities program established in section 10 of this act, the driver training education course voucher program established in section 11 of this act, and the tribal partnership program established in section 13 of this act.

Sec. 21. RCW 43.84.092 and 2024 c 210 s 4 and 2024 c 168 s 12 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the climate active transportation account, the climate transit programs account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver education safety improvement account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce development account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources

stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account,

the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 22. RCW 43.84.092 and 2024 c 210 s 5 and 2024 c 168 s 13 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall

occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable account, the clean fuels credit account, the clean fuels transportation investment account, the cleanup settlement account, the climate active transportation account, the climate transit programs account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the covenant homeownership account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community services account, the diesel idle reduction account, the opioid abatement settlement account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the driver education safety improvement account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the family medicine workforce

development account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the higher education retirement plan supplemental benefit fund, the Washington student loan account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 5 bridge replacement project account, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the move ahead WA account, the move ahead WA flexible account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound Gateway facility account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the reserve officers' relief and pension principal fund, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the second injury fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state hazard mitigation revolving loan account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2

and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the JUDY transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tribal opioid prevention and treatment account, the University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

NEW SECTION. Sec. 23. Section 4 of this act takes effect May 1, 2026.

NEW SECTION. Sec. 24. Sections 17 and 18 of this act take effect January 1, 2026.

NEW SECTION. Sec. 25. Section 6 of this act takes effect January 1, 2031.

NEW SECTION. Sec. 26. Section 21 of this act expires July 1, 2028.

NEW SECTION. Sec. 27. Section 22 of this act takes effect July 1, 2028."

On page 1, line 1 of the title, after "safety;" strike the remainder of the title and insert "amending RCW 46.20.100, 46.20.075, 46.20.181, 46.82.420, 46.82.280, 46.20.120, 46.20.055, 46.68.041, 46.17.025, 46.68.220, and 46.63.200; reenacting and amending RCW 28A.220.020, 43.84.092, and 43.84.092; adding new sections to chapter 46.20 RCW; adding new sections to chapter 46.82 RCW; adding a new section to chapter 42.56 RCW; creating a new section; providing effective dates; and providing expiration dates."

and the same is herewith transmitted.

Sarah Bannister, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1878 and advanced the bill, as amended by the Senate, to final passage.

Representatives Donaghy and Low spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1878, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1878, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 71; Nays, 26; Absent, 0; Excused, 1

Voting Yea: Representatives Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Connors, Cortes, Davis, Dent, Doglio, Donaghy, Duerr, Dye, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rufe, Ryu, Salahuddin, Santos, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Burnett, Caldier, Chase, Corry, Couture, Dufault, Engell, Graham, Griffey, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Penner, Rude, Schmick, Steele, Stokesbary, Volz, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1878, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Tuesday, April 15, 2025

Mme. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1271, with the following amendment(s): 1271-S AMS WM S2665.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 43.43.960 and 2019 c 259 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this subchapter.

(1) "All risk resources" means those resources regularly provided by fire departments, fire districts, and regional fire protection service authorities required to respond to natural or man-made incidents, including but not limited to:

- (a) Wild land fires;
- (b) Landslides;
- (c) Earthquakes;
- (d) Floods; and
- (e) Contagious diseases.

(2) "Chief" means the chief of the Washington state patrol.

(3) "Fire chief" includes the chief officer of a statutorily authorized fire agency, or the fire chief's authorized representative. Also included are the department of natural resources fire control chief, and the department of natural resources regional managers.

(4) "Jurisdiction" means state, county, city, fire district, regional fire protection service authority, or port district units, or other units covered by this chapter.

(5) "Mobilization" means that all risk resources regularly provided by fire departments, fire districts, and regional fire protection service authorities beyond those available through existing agreements will be requested and, when available, sent in preparation of, or response to, an emergency or disaster situation that has ~~((exceeded))~~ or is predicted to exceed the capabilities of available local resources. During a large scale emergency, mobilization includes the redistribution of regional or statewide risk resources to either direct emergency incident assignments or to assignment in communities where resources are needed. All risk resources may not be mobilized to assist law enforcement with police activities during a civil protest or demonstration, or other exercise by the people of their constitutionally protected First Amendment rights, or other protected concerted activity, however, fire departments, fire districts, and regional fire protection service authorities are not restricted from providing medical care or aid and firefighting when mobilized for any purpose.

When mobilization is declared and authorized as provided in this chapter, all risk resources regularly provided by fire departments, fire districts, and regional fire protection service authorities including those of the host fire protection authorities, i.e. incident jurisdiction, shall be deemed as mobilized under this chapter, including those that responded earlier under existing mutual aid or other agreement. All nonhost fire protection authorities providing resources in response to a mobilization declaration shall be eligible for expense reimbursement as

provided by this chapter from the time of the mobilization declaration.

This chapter shall not reduce or suspend the authority or responsibility of the department of natural resources under chapter 76.04 RCW.

(6) "Mutual aid" means emergency interagency assistance provided without compensation under an agreement between jurisdictions under chapter 39.34 RCW.

(7) "State fire marshal" means the director of fire protection in the Washington state patrol."

On page 1, line 2 of the title, after "resources;" strike the remainder of the title and insert "and amending RCW 43.43.960."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1271 and advanced the bill, as amended by the Senate, to final passage.

Representatives Nance and Couture spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1271, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1271, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Chase, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dufault, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Graham, Gregerson, Griffey, Hackney, Hill, Hunt, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Marshall, McClintock, McEntire, Mena, Mendoza, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Volz, Walen, Walsh, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Excused: Representative Lekanoff

SUBSTITUTE HOUSE BILL NO. 1271, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Tuesday, April 15, 2025

Mme. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1264, with the following amendment(s): 1264-S AMS LIIA S3140.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 47.64.006 and 1989 c 327 s 1 are each amended to read as follows:

The legislature declares that it is the public policy of the state of Washington to: (1) Provide continuous operation of the Washington state ferry system at reasonable cost to users; (2) efficiently provide levels of ferry service consistent with trends and forecasts of ferry usage; (3) promote harmonious and cooperative relationships between the ferry system and its employees by permitting ferry employees to organize and bargain collectively; (4) protect the citizens of this state by assuring effective and orderly operation of the ferry system in providing for their health, safety, and welfare; (5) prohibit and prevent all strikes or work stoppages by ferry employees; (6) protect the rights of ferry employees with respect to employee organizations; and (7) promote just and fair compensation, benefits, and working conditions for ferry system employees as compared with public and private sector employees ((in states along the west coast of the United States, including Alaska, and in British Columbia)) in directly comparable but not necessarily identical positions.

Sec. 2. RCW 47.64.170 and 2015 3rd sp.s. c 1 s 305 are each amended to read as follows:

(1) Any ferry employee organization certified as the bargaining representative shall be the exclusive representative of all ferry employees in the bargaining unit and shall represent all such employees fairly.

(2) A ferry employee organization or organizations and the governor may each designate any individual as its representative to engage in collective bargaining negotiations.

(3) Negotiating sessions, including strategy meetings of the employer or employee organizations, mediation, and the deliberative process of arbitrators are exempt from the provisions of chapter 42.30 RCW. Hearings conducted by arbitrators may be open to the public by mutual consent of the parties.

(4) Terms of any collective bargaining agreement may be enforced by civil action in Thurston county superior court upon the initiative of either party.

(5) Ferry system employees or any employee organization shall not negotiate or attempt to negotiate directly with anyone other than the person who has been appointed or authorized a bargaining representative for the purpose of bargaining with the ferry employees or their representative.

(6) (a) Within ((ten))10 working days after the first Monday in September of every odd-numbered year, the parties shall attempt to agree on an interest arbitrator to be used if the parties are not successful in negotiating a comprehensive collective bargaining agreement. If the parties cannot agree on an arbitrator within the ((ten))10-day period, either party may request a list of seven arbitrators from the federal mediation and conciliation service. The parties shall select an interest arbitrator using the coin toss/alternate strike method within ((thirty))30 calendar days of receipt

of the list. Immediately upon selecting an interest arbitrator, the parties shall cooperate to reserve dates with the arbitrator for potential arbitration between August 1st and September 15th of the following even-numbered year. The parties shall also prepare a schedule of at least five negotiation dates for the following year, absent an agreement to the contrary. The parties shall execute a written agreement before November 1st of each odd-numbered year setting forth the name of the arbitrator and the dates reserved for bargaining and arbitration. This subsection (6)(a) imposes minimum obligations only and is not intended to define or limit a party's full, good faith bargaining obligation under other sections of this chapter.

(b) The negotiation of a proposed collective bargaining agreement by representatives of the employer and a ferry employee organization shall commence on or about February 1st of every even-numbered year.

(c) For negotiations covering the 2009-2011 biennium and subsequent biennia, the time periods specified in this section, and in RCW 47.64.210 and 47.64.300 through 47.64.320, must ensure conclusion of all agreements on or before October 1st of the even-numbered year next preceding the biennial budget period during which the agreement should take effect. These time periods may only be altered by mutual agreement of the parties in writing. Any such agreement and any impasse procedures agreed to by the parties under RCW 47.64.200 must include an agreement regarding the new time periods that will allow final resolution by negotiations or arbitration by October 1st of each even-numbered year.

(7) It is the intent of this section that the collective bargaining agreement or arbitrator's award shall commence on July 1st of each odd-numbered year and shall terminate on June 30th of the next odd-numbered year to coincide with the ensuing biennial budget year, as defined by RCW 43.88.020((7)) (9), to the extent practical. It is further the intent of this section that all collective bargaining agreements be concluded by October 1st of the even-numbered year before the commencement of the biennial budget year during which the agreements are to be in effect. After the expiration date of a collective bargaining agreement negotiated under this chapter, except to the extent provided in ((subsection (11) of this section and)) RCW 47.64.270(4), all of the terms and conditions specified in the collective bargaining agreement remain in effect until the effective date of a subsequently negotiated agreement, not to exceed one year from the expiration date stated in the agreement. Thereafter, the employer may unilaterally implement according to law.

(8) ((The office of financial management shall conduct a salary survey, for use in collective bargaining and arbitration)) (a) The salary and fringe benefits paid to ferry employees must be competitive with those in the applicable category of external public and private sector employees described in (b)(i) through (v) of this subsection that

is appropriate for each work group, guided by the results of a survey undertaken in the collective bargaining process during each biennium. Salary and fringe benefits include direct wage compensation, vacation, holidays and other paid excused time, pensions, insurance, and benefits received.

(b) The office of financial management shall conduct a comprehensive salary and fringe benefit survey, for maritime employees for use in collective bargaining and arbitration, by contracting with a nationally recognized firm that has expertise in conducting compensation surveys that involve comparisons of wages, hours, benefits, and conditions of employment. To accomplish this, the office of financial management may pursue a sole source contract under RCW 39.26.140. Salary and fringe benefit survey information collected from private employers, which identifies a specific employer with the salary and fringe benefit rates, which that employer pays to its employees, is not subject to public disclosure under chapter 42.56 RCW. The salary survey must be conducted as follows:

(i) The salary survey for the deck department and terminal department employees must consist of a comparison of wages, hours, employee benefits, and conditions of employment of the involved ferry employees with those of public and private sector employees in states along the west coast of the United States, including Alaska, and in British Columbia doing directly comparable but not necessarily identical work, giving consideration to factors peculiar to the area and the classifications involved;

(ii) The salary survey for the masters and mates must consist of a comparison of wages, hours, employee benefits, and conditions of employment of the involved ferry employees with those of public and private sector employees, including business entities whose operations include the movement of unlimited tonnage vessels, in the designated pilotage waters of the states along the west coast of the United States, including Alaska, doing directly comparable but not necessarily identical work. When considering whether work is directly comparable but not necessarily identical, consideration must be given to factors peculiar to the area and the classifications involved and whether there are United States coast guard licensing requirements, including the holding of first-class pilot endorsements as described in 46 U.S.C. Sec. 8502;

(iii) The salary survey for the engine room employees must consist of a comparison of wages, hours, employee benefits, and conditions of employment of the involved ferry employees with those of private sector shipping employees and public and private sector employees in states along the west coast of the United States, including Alaska, and in British Columbia, and public sector employers on the east coast who operate double-ended vessels with similar horsepower that carry more than 2,000 passengers, doing directly comparable but not necessarily identical work, giving consideration to factors peculiar to the area and the classifications involved;

(iv) The salary survey for the trades employees at the Eagle Harbor shipyard facility must consist of a comparison of wages, hours, employee benefits, and conditions of employment of the involved ferry employees with those of public and private sector employees in the Puget Sound region and must include the Port of Seattle maintenance facility, the Port of Tacoma maintenance facility, the King county maintenance facility, rates required to be paid under chapter 39.12 RCW to workers performing construction, maintenance, and repair on vessels and structures under publicly funded projects within King, Pierce, Snohomish, Skagit, San Juan, and Kitsap counties, doing directly comparable but not necessarily identical work, giving consideration to factors peculiar to the area and the classifications involved;

(v) The salary survey for all other covered employees must consist of a comparison of wages, hours, employee benefits, and conditions of employment of the involved ferry employees with those of public and private sector employees in states along the west coast of the United States, including Alaska, and in British Columbia doing directly comparable but not necessarily identical work, giving consideration to factors peculiar to the area and the classifications involved.

(9) The entity contracted to complete the survey shall seek the input of the employee organizations in gathering information.

(10) The office of financial management shall make the final salary survey available to all bargaining parties by April 1st of the even-numbered year. For 2026 only, should the office of financial management not be able to complete the survey by April 1st, the parties shall agree to a new completion date.

~~((9) Except as provided in subsection (11) of this section:))~~

(11)(a) The governor shall submit a request either for funds necessary to implement the collective bargaining agreements including, but not limited to, the compensation and fringe benefit provisions or for legislation necessary to implement the agreement, or both. Requests for funds necessary to implement the collective bargaining agreements shall not be submitted to the legislature by the governor unless such requests:

(i) Have been submitted to the director of the office of financial management by October 1st before the legislative session at which the requests are to be considered; and

(ii) Have been certified by the director of the office of financial management as being feasible financially for the state.

(b) The governor shall submit a request either for funds necessary to implement the arbitration awards or for legislation necessary to implement the arbitration awards, or both. Requests for funds necessary to implement the arbitration awards shall not be submitted to the legislature by the governor unless such requests:

(i) Have been submitted to the director of the office of financial management by October 1st before the legislative session

at which the requests are to be considered; and

(ii) Have been certified by the director of the office of financial management as being feasible financially for the state.

(c) The legislature shall approve or reject the submission of the request for funds necessary to implement the collective bargaining agreements or arbitration awards as a whole for each agreement or award. The legislature shall not consider a request for funds to implement a collective bargaining agreement or arbitration award unless the request is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060. If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement and award or the exclusive bargaining representative may seek to implement the procedures provided for in RCW 47.64.210 and 47.64.300.

~~((10))~~ (12) If, after the compensation and fringe benefit provisions of an agreement are approved by the legislature, a significant revenue shortfall occurs resulting in reduced appropriations, as declared by proclamation of the governor or by resolution of the legislature, both parties shall immediately enter into collective bargaining for a mutually agreed upon modification of the agreement.

~~((11)(a) For the collective bargaining agreements negotiated for the 2011-2013 fiscal biennium, the legislature may consider a request for funds to implement a collective bargaining agreement even if the request for funds was not received by the office of financial management by October 1st and was not transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060.~~

~~(b) For the 2013-2015 fiscal biennium, a collective bargaining agreement related to employee health care benefits negotiated between the employer and coalition pursuant to RCW 41.80.020(3) regarding the dollar amount expended on behalf of each employee must be a separate agreement for which the governor may request funds necessary to implement the agreement. The legislature may act upon a 2013-2015 collective bargaining agreement related to employee health care benefits if an agreement is reached and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget by the sitting legislature.~~

~~(c) For the collective bargaining agreements negotiated for the 2013-2015 fiscal biennium, the legislature may consider a request for funds to implement a collective bargaining agreement reached after October 1st after a determination of financial infeasibility by the director of the office of financial management if the request for funds is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060.))~~

Sec. 3. RCW 47.64.320 and 2010 c 283 s 15 are each amended to read as follows:

(1) The mediator, arbitrator, or arbitration panel may consider only matters that are subject to bargaining under this chapter, except that health care benefits are not subject to interest arbitration.

(2) The decision of an arbitrator or arbitration panel is not binding on the legislature and, if the legislature does not approve the funds necessary to implement provisions pertaining to compensation and fringe benefit provisions of an arbitrated collective bargaining agreement, is not binding on the state, the department of transportation, or the ferry employee organization.

(3) In making its determination, the arbitrator or arbitration panel shall be mindful of the legislative purpose under RCW 47.64.005 and 47.64.006 and, as additional standards or guidelines to aid it in reaching a decision, shall take into consideration the following factors:

(a) The financial ability of the department to pay for the compensation and fringe benefit provisions of a collective bargaining agreement;

(b) Past collective bargaining contracts between the parties including the bargaining that led up to the contracts;

(c) The constitutional and statutory authority of the employer;

(d) Stipulations of the parties;

(e) The results of the salary survey as required in RCW 47.64.170(8);

(f) Comparison of wages, hours, employee benefits, and conditions of employment of the involved ferry employees with ~~((those of public and private sector employees in states along the west coast of the United States, including Alaska, and in British Columbia doing directly comparable but not necessarily identical work, giving consideration to factors peculiar to the area and the classifications involved)) the appropriate public and private sector employees in the described geographical areas, as specified under RCW 47.64.170(8)~~

(b) (i) through (v);

(g) Changes in any of the foregoing circumstances during the pendency of the proceedings;

(h) The limitations on ferry toll increases and operating subsidies as may be imposed by the legislature;

(i) The ability of the state to retain ferry employees;

(j) The overall compensation presently received by the ferry employees, including direct wage compensation, vacations, holidays and other paid excused time, pensions, insurance benefits, and all other direct or indirect monetary benefits received; and

(k) Other factors that are normally or traditionally taken into consideration in the determination of matters that are subject to bargaining under this chapter.

(4) This section applies to any matter before the respective mediator, arbitrator, or arbitration panel."

On page 1, line 2 of the title, after "comparisons;" strike the remainder of the title and insert "and amending RCW 47.64.006, 47.64.170, and 47.64.320."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1264 and advanced the bill, as amended by the Senate, to final passage.

Representatives Fey and Low spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1264, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1264, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 70; Nays, 27; Absent, 0; Excused, 1

Voting Yea: Representatives Barkis, Berg, Bergquist, Bernbaum, Berry, Bronoske, Caldier, Callan, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Griffey, Hackney, Hill, Hunt, Kloba, Leavitt, Low, Macri, McEntire, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Volz, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barnard, Burnett, Chase, Connors, Corry, Dufault, Dye, Engell, Graham, Jacobsen, Keaton, Klicker, Ley, Manjarrez, Marshall, McClintock, Mendoza, Orcutt, Penner, Rude, Steele, Stokesbary, Walsh, Waters and Ybarra

Excused: Representative Lekanoff

SUBSTITUTE HOUSE BILL NO. 1264, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Wednesday, April 16, 2025

Mme. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1219, with the following amendment(s): 1219.E AMS LAW S2543.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 2.76 RCW to read as follows:

(1) The interbranch advisory committee may set its own meeting schedule. The committee shall discuss issues of mutual concern between the branches. Examples include, but are not limited to:

(a) Funding legislative mandates;

(b) Initiatives related to access to justice;

(c) Issues of local concern;

(d) Courthouse security; and

(e) Court technology infrastructure.

(2) Staff support for the committee will be provided by the administrative office of the courts.

Sec. 2. RCW 2.76.010 and 2022 c 284 s 1 are each amended to read as follows:

There is created an interbranch advisory committee consisting of the following members:

(1) Two legislative members, one from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives. One member shall be a member of a committee having jurisdiction over general civil or criminal law matters and the other member shall be a member of a committee having jurisdiction over the state operating budget;

(2) Two legislative members, one from each of the two largest caucuses of the senate, appointed by the president of the senate. One member shall be a member of a committee having jurisdiction over general civil or criminal law matters and the other member shall be a member of a committee having jurisdiction over the state operating budget;

(3) One person representing the governor's office, appointed by the governor;

(4) One person representing the attorney general's office, appointed by the attorney general;

(5) One person representing cities, appointed by the association of Washington cities;

(6) One person who is an elected county councilmember representing counties, appointed by the Washington state association of counties;

(7) One person representing court clerks, appointed by the Washington state association of county clerks;

(8) ~~((Eight))~~ Nine members from the judicial branch, appointed by the chief justice in consultation with the board of judicial administration, supreme court, court of appeals, superior court judges association, association of Washington superior court administrators, Washington association of juvenile court administrators, district and municipal court judges association, district and municipal court management association, administrative office of the courts, and access to justice board; and

(9) One person representing the office of public defense and one person representing the office of civil legal aid, who shall serve as nonvoting members. Nonvoting members must be consulted by the interbranch advisory committee as needed.

NEW SECTION. Sec. 3. RCW 2.76.800 (Recommendations to legislature) and 2022 c 284 s 4 are each repealed.

Sec. 4. RCW 2.76.900 and 2022 c 284 s 5 are each amended to read as follows:

This chapter expires January 1, ~~((2026))~~ 2031."

On page 1, line 1 of the title, after "committee;" strike the remainder of the title and insert "amending RCW 2.76.010 and 2.76.900; adding a new section to chapter 2.76 RCW; repealing RCW 2.76.800; and providing an expiration date."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1219 and advanced the bill, as amended by the Senate, to final passage.

Representative Taylor spoke in favor of the passage of the bill.

Representative Waters spoke against the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1219, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1219, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 68; Nays, 29; Absent, 0; Excused, 1

Voting Yea: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Corry, Cortes, Davis, Doglio, Donaghy, Duerr, Dye, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Jacobsen, Kloba, Leavitt, Macri, McClintock, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Schmick, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Ybarra, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barkis, Barnard, Chase, Connors, Couture, Dent, Dufault, Engell, Eslick, Graham, Griffey, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McEntire, Mendoza, Orcutt, Penner, Rude, Schmidt, Stokesbary, Volz, Walsh and Waters

Excused: Representative Lekanoff

ENGROSSED HOUSE BILL NO. 1219, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Wednesday, April 16, 2025

Mme. Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1186, with the following amendment(s): 1186-S AMS ENGR S2527.E

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 70.41.480 and 2024 c 251 s 2 are each amended to read as follows:

(1) The legislature finds that high quality, safe, and compassionate health care services for patients of Washington state must be available at all times. The legislature further finds that there is a need for patients being released from hospital emergency departments to maintain access to emergency medications when community or hospital pharmacy services are not available, including medication for opioid overdose reversal and for the

treatment for opioid use disorder as appropriate, human immunodeficiency virus postexposure prophylaxis drugs, anti-infectives, and drugs that come prepackaged by the manufacturer. It is the intent of the legislature to accomplish this objective by allowing practitioners with prescriptive authority to prescribe limited amounts of prepackaged emergency medications to patients being discharged from hospital emergency departments when access to community or outpatient hospital pharmacy services is not otherwise available.

(2) A hospital may allow a practitioner to prescribe prepackaged emergency medications and allow a practitioner or a registered nurse licensed under chapter 18.79 RCW to distribute prepackaged emergency medications to patients being discharged from a hospital emergency department in the following circumstances:

(a) During times when community or outpatient hospital pharmacy services are not available within 15 miles within Washington by road;

(b) When, in the judgment of the practitioner and consistent with hospital policies and procedures, a patient has no reasonable ability to reach the local community or outpatient pharmacy; or

(c) When a patient is identified as needing human immunodeficiency virus postexposure prophylaxis drugs or therapies.

(3) A hospital may only allow this practice if ~~((+The))~~ the director of the hospital pharmacy, in collaboration with appropriate hospital medical staff, develops policies and procedures regarding the following:

(a) Development of a list, preapproved by the pharmacy director, of the types of emergency medications to be prepackaged and distributed;

(b) Assurances that emergency medications to be prepackaged pursuant to this section are prepared by a pharmacist or under the supervision of a pharmacist licensed under chapter 18.64 RCW;

(c) Development of specific criteria under which emergency prepackaged medications may be prescribed and distributed consistent with the limitations of this section;

(d) Assurances that any practitioner authorized to prescribe prepackaged emergency medication or any nurse authorized to distribute prepackaged emergency medication is trained on the types of medications available and the circumstances under which they may be distributed;

(e) Procedures to require practitioners intending to prescribe prepackaged emergency medications pursuant to this section to maintain a valid prescription either in writing or electronically in the patient's records prior to a medication being distributed to a patient;

(f) Establishment of a limit of no more than a 48 hour supply of emergency medication as the maximum to be dispensed to a patient, except when ~~((community))~~ ;

(i) Community or hospital outpatient pharmacy services will not be available within 48 hours((, or when antibiotics));

(ii) Anti-infectives or human immunodeficiency virus postexposure

prophylaxis drugs or therapies are required; or

(iii) Drugs or therapies are packaged directly by the manufacturer in quantities larger than a 48-hour supply that cannot be altered to limit the quantity to a 48-hour supply;

(g) Assurances that prepackaged emergency medications will be kept in a secure location in or near the emergency department in such a manner as to preclude the necessity for entry into the pharmacy; and

(h) Assurances that nurses or practitioners will distribute prepackaged emergency medications to patients only after a practitioner has counseled the patient on the medication.

(4) The delivery of a single dose of medication for immediate administration to the patient is not subject to the requirements of this section.

(5) Nothing in this section restricts the authority of a practitioner in a hospital emergency department to distribute opioid overdose reversal medication under RCW 69.41.095.

(6) A practitioner or a nurse in a hospital emergency department must dispense or distribute opioid overdose reversal medication in compliance with RCW 70.41.485.

(7) Except as permitted for human immunodeficiency virus postexposure prophylaxis or opioid overdose reversal drugs or therapies, nothing in this section permits a hospital to bill separately from the bundled payment for drugs or therapies dispensed pursuant to this section.

(8) For purposes of this section:

(a) "Emergency medication" means any medication commonly prescribed to emergency department patients, including those drugs, substances or immediate precursors listed in schedules II through V of the uniform controlled substances act, chapter 69.50 RCW, as now or hereafter amended~~((+))~~ ;

(b) "Distribute" means the delivery of a drug or device other than by administering or dispensing~~((+))~~ ;

(c) "Manufacturer" has the same meaning as provided in RCW 18.64.011;

(d) "Opioid overdose reversal medication" has the same meaning as provided in RCW 69.41.095((+)) ;

(e) "Practitioner" means any person duly authorized by law or rule in the state of Washington to prescribe drugs as defined in RCW 18.64.011((+29)-

(+)) ; and

(f) "Nurse" means a registered nurse or licensed practical nurse as defined in chapter 18.79 RCW.

Sec. 2. RCW 18.64.450 and 2013 c 19 s 26 are each amended to read as follows:

(1) In order for a health care entity to purchase, administer, dispense, and deliver legend drugs, the health care entity must be licensed by the department.

(2) In order for a health care entity to purchase, administer, dispense, and deliver controlled substances, the health care entity must annually obtain a license from the department in accordance with the commission's rules.

(3) The receipt, administration, dispensing, and delivery of legend drugs or controlled substances by a health care entity must be performed under the supervision or at the direction of a pharmacist.

(4) A health care entity may only administer, dispense, or deliver legend drugs and controlled substances to patients who receive care within the health care entity and in compliance with rules of the commission. Nothing in this subsection shall prohibit a practitioner, in carrying out his or her licensed responsibilities within a health care entity, from dispensing or delivering to a patient of the health care entity drugs for that patient's personal use in an amount not to exceed ~~((seventy-two))~~ 72 hours of usage. The 72-hour limit does not apply when:

(a) Community or hospital outpatient pharmacy services will not be available within 72 hours;

(b) Anti-infectives or human immunodeficiency virus postexposure prophylaxis drugs or therapies are required; or

(c) Drugs or therapies are packaged directly by the manufacturer in quantities larger than a 72-hour supply that cannot be altered to limit the quantity to a 72-hour supply.

(5) Nothing in this section permits a health care entity to bill separately for drugs or therapies dispensed pursuant to subsection (4)(a) through (c) of this section."

On page 1, line 3 of the title, after "entities;" strike the remainder of the title and insert "and amending RCW 70.41.480 and 18.64.450."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1186 and advanced the bill, as amended by the Senate, to final passage.

Representatives Parshley and Marshall spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1186, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1186, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Chase, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dufault, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Graham, Gregerson, Griffey, Hackney, Hill, Hunt, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Marshall, McClintock, McEntire, Mena, Mendoza, Morgan, Nance, Obras, Orcutt,

Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Volz, Walen, Walsh, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Excused: Representative Lekanoff

SUBSTITUTE HOUSE BILL NO. 1186, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Tuesday, April 8, 2025

Mme. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1990, with the following amendment(s): 1990-S2 AMS SHEW S2751.1

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** (1) The purpose of this act is to allow an electrical, gas, or water company, if authorized by an order issued by the utilities and transportation commission, to use securitization financing for certain types of costs related to emergency events and approved for recovery in rates or charges. The legislature finds that:

(a) Securitized debt may lower the total rates in comparison with other methods of recovery and may benefit the citizens of this state who are electrical, gas, or water company customers;

(b) Rate recovery bonds are not a public debt or pledge of the full faith and credit of the state but require the state to provide clear and exclusive methods to create, transfer, and encumber the rate recovery assets and prohibit future impairment; and

(c) This act allowing electrical, gas, or water companies to use securitization financing for emergency-related costs does not limit, impair, or affect the utilities and transportation commission's plenary authority and jurisdiction over rates and services offered by electrical, gas, or water companies.

(2) It is the legislature's intent that when issuing an approval for recovery of expenditures under this act, the utilities and transportation commission will consider whether expenditures are broadly aligned with Washington state climate goals including, but not limited to, chapters 70A.45 and 19.405 RCW.

Sec. 2. RCW 80.28.005 and 1994 c 268 s 1 are each amended to read as follows:

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

(1) "Assignee" means a person, and any subsequent assignee, to which an electrical, gas, or water company assigns, sells, or transfers all or part of the electrical, gas, or water company's interest in or right to rate recovery assets, except as security.

(2) "Bond" includes bonds, notes, certificates of beneficial interests in a trust, or other evidences of indebtedness.

(3) "Bondable ((conservation investment)) rate recovery expenditures" means all costs and expenditures ((made)) incurred or to be incurred through the date of issuance of a financing order by an electrical, gas, or water ((companies)) company associated with ((respect to energy)).

(a) An event that is the subject of a federal or state declaration of disaster or emergency that has caused widespread loss of life, injury to person or property, human suffering, or financial loss, including those costs and expenses owed by an electrical, gas, or water company to such company's customers as a result of the event, but not including any fees, fines, penalties, or costs imposed as a result of criminal or civil enforcement actions brought against the utility, or attributable to the utility's negligence or gross negligence as determined in a finding by a court of law in causing the event; or

(b) Energy or water conservation measures and services intended to improve the efficiency of electricity, gas, or water end use, including related carrying costs if:

((a)) (i) The conservation measures and services do not produce assets that would be bondable utility property under the general utility mortgage of the electrical, gas, or water company;

((b)) (ii) The commission has determined that the expenditures were incurred in conformance with the terms and conditions of a conservation service tariff in effect with the commission at the time the costs were incurred, and at the time of such determination the commission finds that the company has proven that the costs were prudent, that the terms and conditions of the financing are reasonable, and that financing under this chapter is more favorable to the customer than other reasonably available alternatives;

((c)) (iii) The commission has approved inclusion of the expenditures in rate base and has not ordered that they be currently expensed; and

((d)) (iv) The commission has not required that the measures demonstrate that energy or water savings have persisted at a certain level for a certain period before approving the cost of these investments as bondable ((conservation investment)) rate recovery expenditures.

((2) "Conservation bonds" means bonds, notes, certificates of beneficial interests in trusts, or other evidences of indebtedness or ownership that:

(a) The commission determines at or before the time of issuance are issued to finance or refinance bondable conservation investment by an electrical, gas or water company; and

(b) Rely partly or wholly for repayment on conservation investment assets and revenues arising with respect thereto.

(3) "Conservation investment assets" means the statutory right of an electrical, gas, or water company:

(a) To have included in rate base all of its bondable conservation investment and related carrying costs; and

(b) To receive through rates revenues sufficient to recover the bondable conservation investment and the costs of equity and debt capital associated with it, including, without limitation, the payment of principal, premium, if any, and interest on conservation bonds.)

(4) "Bondholder" means a holder or owner of a rate recovery bond.

(5) "Finance subsidiary" means any corporation, limited liability company, company, association, joint stock association, ((or)) trust, or other entity that is beneficially owned, directly or indirectly, by an electrical, gas, or water company, or in the case of a trust issuing ((conservation)) rate recovery bonds consisting of beneficial interests, for which an electrical, gas, or water company or a subsidiary thereof is the grantor, or an unaffiliated entity formed for the purpose of financing or refinancing approved ((conservation investment)) bondable rate recovery expenditures, and that acquires ((conservation investment)) rate recovery assets directly or indirectly from such company in a transaction approved by the commission.

(6) "Financing costs" includes the following costs related to rate recovery bonds, whether incurred and paid upon issuance or over the life of rate recovery bonds:

(a) The costs of issuing, serving, managing, repaying, or refinancing rate recovery bonds, including any fees, expenses, or charges incurred and the costs of any activities performed in connection with the rate recovery bonds, including:

- (i) Information technology programming;
- (ii) Obtaining a financing order;
- (iii) Serving, accounting, or auditing;
- (iv) Services related to trustees;
- (v) Legal services;
- (vi) Consulting;
- (vii) Services related to financial and structuring advisors;
- (viii) Administration;
- (ix) Placement and underwriting;
- (x) Services related to independent directors and managers;
- (xi) Services related to rating agencies;
- (xii) Stock exchange listing and compliance;
- (xiii) Securities registration and filing; and

(xiv) Services necessary to ensure a timely payment of rate recovery bonds or other amounts or charges payable in connection with rate recovery bonds;

(b) Principal, interest and acquisition, defeasance, and redemption premiums payable on rate recovery bonds;

(c) Payments required under an ancillary agreement and any amounts required to fund or replenish a reserve or account established under the terms of an indenture, ancillary agreement, or financing document related to rate recovery bonds;

(d) Applicable federal, state, and local taxes, franchise fees, license fees, gross receipts, or other taxes or charges, whether paid, payable, or accrued; and

(e) The commission's costs in performing the commission's duties related to rate recovery bonds that are recoverable by the commission under RCW 80.24.010.

(7) "Financing order" means an order issued by the commission that authorizes one or more of the following:

(a) The recovery of bondable rate recovery expenditures and financing costs;

(b) The creation of rate recovery assets;

(c) The issuance of rate recovery bonds;

(d) The imposition, collection, and periodic adjustment of rate recovery charges; or

(e) The sale, assignment, or transfer of rate recovery assets to an assignee.

(8) "Financing party" includes:

(a) Bondholders, trustees, agents, and secured parties related to rate recovery bonds;

(b) A person acting for the benefit of bondholders, trustees, agents, or secured parties; and

(c) A party to rate recovery bond documents or an ancillary agreement.

(9) "Rate recovery asset" means the right of an electrical, gas, or water company to recover from customers bondable rate recovery expenditures and related costs and expenses approved in a financing order, including the right to:

(a) Impose, charge, bill, collect, receive, hold, and apply rate recovery charges authorized under a financing order or obtain, to the extent authorized, periodic adjustments of rate recovery charges; and

(b) All claims, accounts, revenues, payments, collections, moneys, or proceeds arising from the rights and interest specified in a financing order, regardless of whether the claims, accounts, revenues, payments, collections, moneys, or proceeds arising from the rights and interest specified in the financing order are commingled with other claims, accounts, revenues, payments, collections, moneys, or proceeds.

(10) "Rate recovery bonds" means bonds, notes, certificates of beneficial interests in trusts, or other evidences of indebtedness or ownership that:

(a) The commission determines, at or before the time of issuance are issued to finance or refinance bondable rate recovery expenditures by an electrical, gas, or water company; and

(b) Rely partly or wholly for repayment on rate recovery assets and revenues arising with respect thereto.

(11) "Rate recovery charge" means charges to electrical, gas, or water company customers authorized by the commission to recover bondable rate recovery expenditures and financing costs and to be used to pay, repay, or refinance rate recovery bonds.

(12) "Secured party" means a financing party that has been granted a security interest in rate recovery assets.

NEW SECTION. Sec. 3. A new section is added to chapter 80.28 RCW to read as follows:

(1) It is the policy of the state of Washington to encourage the financing of

certain costs and expenses by electrical, gas, and water companies at the lowest, reasonable, and prudent cost to customers of such companies including, but not limited to, bondable rate recovery expenditures.

(2) To carry out the policy described in subsection (1) of this section, the state of Washington and all agencies, instrumentalities, political subdivisions, and local governments thereof:

(a) Acknowledge that owners of rate recovery assets, bondholders, and financing parties require certainty with respect to the owners, bondholders, and financing parties' rights to enter into financing transactions that offer the lowest, reasonable, and prudent cost; and

(b) Pledge and agree with electrical, gas, and water companies; assignees; bondholders; and financing parties not to reduce, alter, or impair, in a manner that is adverse to the electrical, gas, and water companies; assignees; bondholders; or financing parties:

(i) Rate recovery assets;

(ii) Rate recovery bonds or the security for rate recovery bonds; or

(iii) Rate recovery charges or the collection of rate recovery charges.

(3) The pledge and agreement described under subsection (2)(b) of this section includes the pledge and agreement not to reduce, alter, or impair rate recovery assets, rate recovery bonds or the security for rate recovery bonds, or rate recovery charges or the collection of rate recovery charges by taking any of the following actions:

(a) Altering the provisions of this section or RCW 80.28.005, 80.28.303, 80.28.306, or 80.28.309 to the extent that those provisions authorize the commission to issue financing orders that:

(i) Create rate recovery assets;

(ii) Establish rate recovery charges that may not be avoided by electrical, gas, or water company customers, as described under section 4(4) of this act; or

(iii) Provide rights and remedies to electrical, gas, and water companies; assignees; bondholders; and financing parties;

(b) Impairing the rights or remedies of electrical, gas, and water companies; assignees; bondholders; or financing parties that are created under this section and RCW 80.28.005, 80.28.303, 80.28.306, and 80.28.309 or by a financing order, including reducing the amount of or impairing the collection of rate recovery charges until all principal, interest, premium, if any, and other amounts due on the rate recovery bonds and financing costs have been paid in full and except as provided under section 4 of this act; or

(c) Taking any action listed under section 4(5)(b) of this act.

(4) An electrical, gas, or water company or financing subsidiary that issues rate recovery bonds may include the pledge and provisions of this section in the bonds and related documentation.

NEW SECTION. Sec. 4. A new section is added to chapter 80.28 RCW to read as follows:

(1)(a) If an electrical, gas, or water company applies to the commission for recovery of expenditures related to a federal or state declared disaster or emergency and the commission finds some or all of the expenditures to be reasonable and prudent, the company may petition the commission for a financing order designating all or part of such expenditures as bondable rate recovery expenditures, for the purpose of financing or refinancing the designated expenditures under RCW 80.28.306(1). A company must request this designation by the commission in a separate proceeding.

(b) A petition filed under (a) of this subsection must include a narrative description of purpose for which the electrical, gas, or water company seeks approval of a financing order. The narrative description must:

(i) Explain the event that is the subject of a federal or state declaration of disaster or emergency that gave rise to the costs and expenses that the company seeks to recover through a financing order, including those costs and expenses owed by an electrical, gas, or water company to such company's customers or other persons as a result of the event; and

(ii) In the case such costs and expenses accrued to the electrical, gas, or water company through a legal settlement, provide the total:

(A) Legal fees and costs paid by the company;

(B) Estimated legal fees and costs the company would have incurred had it elected not to settle the matter;

(C) Amount of initial claims that had been sought against the company; and

(D) Amount of the settlement.

(c) After notice and an opportunity for a hearing, the commission may approve a petition if the commission finds that:

(i) The bondable rate recovery expenditures and financing costs included in the petition are reasonable and prudent;

(ii) Financing or refinancing the bondable rate recovery expenditures through the issuance of rate recovery bonds is likely to be more favorable to electrical, gas, or water company customers for the recovery of the bondable rate recovery expenditures than other methods of cost and expenditure recovery; and

(iii) Bonds, notes, certificates of beneficial interests in a trust, and other evidences of indebtedness or ownership issued pursuant to the approval are reasonably likely to receive a determination of, at a minimum, investment grade by credit rating agencies.

(d) The commission shall issue an order within 180 days of a petition approving or denying the petition. If the commission approves the petition, the commission shall issue a financing order.

(2)(a) A financing order issued under this section shall specify the highest amount of rate recovery expenditures that qualify as bondable rate recovery expenditures.

(b) In specifying the amount for bondable rate recovery expenditures associated with an event described in RCW 80.28.005(3)(a), net of appropriate adjustments as determined by the commission to be reasonable, the commission may include, but is not limited to including, the following rate recovery expenditures:

(i) Capital and operating costs incurred or to be incurred as a result of the event;

(ii) Costs and expenses that may be recovered at a later time from third parties or insurers and returned to electrical, gas, or water company customers through a separate rate proceeding consistent with cost causation and rate design principles and statutory or regulatory requirements; and

(iii) Carrying costs or charges.

(3) A financing order issued under this section must include the following provisions:

(a) Confirmation of the existence of recoverable bondable rate recovery expenditures and authorization to recover bondable rate recovery expenditures and associated financing costs, including the maximum principal amount of bondable rate recovery expenditures and financing costs that may be recovered through securitization;

(b) Authorization for the creation of rate recovery assets and imposition of rate recovery charges that allow for the recovery of rate recovery expenditures and associated financing costs, as determined by the commission;

(c) A requirement that the rate recovery charges authorized by the financing order are ongoing and may not be avoided by an electrical, gas, or water company customer, as described under subsection (4) of this section, until all principal, interest, premium, if any, and other amounts due on the rate recovery bonds and financing costs have been paid in full;

(d) A methodology for:

(i) Allocating rate recovery charges between the different classes of electrical, gas, or water company customers, which may include not allocating rate recovery charges to one or more classes of such company's customers, that is consistent with cost causation and rate design principles and statutory or regulatory requirements;

(ii) Adjusting rate recovery charges as necessary to ensure timely payment on, and payment in full of, the rate recovery bonds and associated financing costs or in response to changes to applicable customers, service territories, or collection rates; and

(iii) Providing for periodic true-up adjustments of the rate recovery charges under (d)(ii) of this subsection, as determined by the commission, to correct for any overcollection or undercollection of the rate recovery charge. The true-up adjustment shall include, but not be limited to, changing economic factors, efficiency measures, and electrification, which may impact the full and timely payment of future scheduled debt service, based on updated usage forecasts. For the purposes of this subsection, "electrification" means the installation of energy efficient electric

end-use equipment that replaces end-use equipment that is fueled by gas that results in the customer no longer taking service from the gas company;

(e) Authorization for the electrical, gas, or water company to issue one or more series of rate recovery bonds with flexibility for such company to establish the terms and conditions of the rate recovery bonds, including repayment schedules, initial interest rates, and initial financing costs;

(f) Authorization to assign rate recovery assets to a financing subsidiary and grant security interests in the rate recovery assets to secured parties without limiting the rights of subsequent assignees;

(g) Authorization for the bond documentation and ancillary documents related to the rate recovery bonds, including servicing arrangements for the rate recovery charges, without requiring the authorization to be on the final forms of the documents;

(h) Authorization for the electrical, gas, or water company to earn a return, at the cost of capital authorized in such company's most recent general rate case prior to the date of the financing order, on any moneys advanced by such company to fund advances, reserves, or capital accounts established under the terms of any indenture, ancillary agreement, or financing documents related to the rate recovery bonds;

(i) A finding that the proposed issuance of rate recovery bonds and the imposition of rate recovery charges is expected to provide the lowest possible, reasonable, and prudent cost on a net present value basis to electrical, gas, or water company customers for recovery of the bondable rate recovery expenditures as compared to other methods of financing and recovery;

(j) A date, not earlier than one year from the date that the financing order becomes final, on which the authority to issue rate recovery bonds granted in the financing order expires;

(k) A requirement that the electrical, gas, or water company notify the commission if such company recovers costs and expenses from a third party or insurer; and

(l) Any other conditions that the commission finds appropriate and that are consistent with this section.

(4) Rate recovery charges authorized by a financing order shall be collected through the charges or incorporated into rates paid by, and may not be avoided by, the electrical, gas, or water company customers located within such company's service territory, if applicable, as the territory existed on the date of the financing order or, if the financing order provides, as such service territory, if applicable, may be expanded, even if:

(a) Such company's customer receives electricity, natural gas, or water; electricity, natural gas, or water services; or ancillary services from a successor or assignee of such company;

(b) Such company's customer elects to receive electricity, natural gas, or water; electricity, natural gas, or water services; or ancillary services from another

electrical, gas, or water company or service provider in the service territory; or

(c) After the date of issuance of the financing order, such company's customer changes customer class.

(5)(a) Rate recovery assets, including rate recovery charges, and the rights of electrical, gas, and water companies; assignees; bondholders; and financing parties, established by a financing order issued under this section, are irrevocable and unchangeable, except as provided in the financing order, until all principal, interest, premium, if any, and other amounts due on the rate recovery bonds and financing costs are paid in full.

(b) Until all principal, interest, premium, if any, and other amounts due on the rate recovery bonds and financing costs are paid in full, the commission, except as provided in the financing order, the state of Washington, and all agencies, instrumentalities, political subdivisions, and local governments thereof may not:

(i) Revalue the bondable rate recovery expenditures or financing costs for rate-making purposes;

(ii) Determine that the rates or revenues authorized under the financing order are unjust or unreasonable;

(iii) Reduce, alter, or impair the rate recovery assets, rate recovery charges or the collection of the rate recovery charges, or rate recovery bonds or the security for the rate recovery bonds;

(iv) Rescind, suspend, amend, or impair the financing order; or

(v) When setting other rates or charges for the electrical, gas, or water company or taking other actions pursuant to the commission's authority, consider the rate recovery bonds as debt of such company, the rate recovery assets to be revenue for such company, or the bondable rate recovery expenditures to be costs of such company.

(6) The commission may not require an electrical, gas, or water company to:

(a) Apply to the commission for a financing order designating all or part of rate recovery expenditures as bondable rate recovery expenditures; or

(b) Finance or refinance rate recovery expenditures that the commission has designated bondable rate recovery expenditures.

Sec. 5. RCW 80.28.303 and 1994 c 268 s 2 are each amended to read as follows:

(1) An electrical, gas, or water company may file a conservation service tariff with the commission. The tariff shall provide:

(a) The terms and conditions upon which the company will offer the conservation measures and services specified in the tariff;

(b) The period of time during which the conservation measures and services will be offered; and

(c) The maximum amount of expenditures to be made during a specified time period by the company on conservation measures and services specified in the tariff.

(2) The commission has the same authority with respect to a proposed conservation service tariff as it has with regard to any

other schedule or classification the effect of which is to change any rate or charge, including, without limitation, the power granted by RCW 80.04.130 to conduct a hearing concerning a proposed conservation service tariff and the reasonableness and justness thereof, and pending such hearing and the decision thereon the commission may suspend the operation of the tariff for a period not exceeding ten months from the time the tariff would otherwise go into effect.

(3) ~~((An electrical, gas, or water company may from time to time apply to the commission for a determination that specific expenditures may under its tariff constitute bondable conservation investment. A company may request this determination by the commission in separate proceedings for this purpose or in connection with a general rate case. The commission may designate the expenditures as bondable conservation investment as defined in RCW 80.28.005(1) if it finds that such designation is in the public interest.~~

(4) ~~The commission shall include in rate base all bondable conservation investment. The commission shall approve rates for service by electrical, gas, and water companies at levels sufficient to recover all of the expenditures of the bondable conservation investment included in rate base and the costs of equity and debt capital associated therewith, including, without limitation, the payment of principal, premium, if any, and interest on conservation bonds.)) The rates so determined may be included in general rate schedules or may be expressed in one or more separate rate schedules. ((The commission shall not revalue bondable conservation investment for rate-making purposes, to determine that revenues required to recover bondable conservation investment and associated equity and debt capital costs are unjust, unreasonable, or in any way impair or reduce the value of conservation investment assets or that would impair the timing or the amount of revenues arising with respect to conservation investment assets that have been pledged to secure conservation bonds.~~

~~((5)) (4)~~ Nothing in this chapter precludes the commission from adopting or continuing other conservation policies and programs intended to provide incentives for and to encourage ~~((utility)) electrical, gas, or water company~~ investment in improving the efficiency of energy or water end use. However, the policies or programs shall not impair ~~((conservation investment)) rate recovery~~ assets. This chapter is not intended to be an exclusive or mandatory approach to conservation programs for electrical, gas, and water companies, and no such company is obligated to file conservation service tariffs under this chapter, to apply to the commission for a determination that conservation costs constitute bondable ~~((conservation investment)) rate recovery expenditures~~ within the meaning of this chapter, or to issue ~~((conservation)) rate recovery~~ bonds.

~~((6)) (5)~~ (a) If a customer of an electrical, gas, or water company for whose benefit the company made expenditures for

conservation measures or services ceases to be a customer of such company for one or more of the following reasons, the commission may require that the portion of such ~~((conservation))~~ expenditures that had been included in rate base but not theretofore recovered in the rates of such company be removed from the rate base of the company:

(i) The customer ceases to be a customer of the ~~((supplier of energy or water)) electrical, gas, or water company~~, and the customer repays to the company the portion of the ~~((conservation))~~ expenditures made for the benefit of such customer that has not theretofore been recovered in rates of ~~((the)) such company~~; or

(ii) ~~((The))~~ Such company sells its property used to serve such customer and the customer ceases to be a customer of the company as a result of such action.

(b) An electrical, gas, or water company may include in a contract for a conservation measure or service, and the commission may by rule or order require to be included in such contracts, a provision requiring that, if the customer ceases to be a customer of that ~~((supplier of energy or water)) such company~~, the customer shall repay to the company the portion of the conservation expenditures made for the benefit of such customer that has not theretofore been recovered in rates of the company.

Sec. 6. RCW 80.28.306 and 1994 c 268 s 3 are each amended to read as follows:

(1) Electrical, gas, and water companies, or finance subsidiaries, may ~~((issue conservation bonds))~~, upon approval by the commission, finance or refinance bondable rate recovery expenditures as described in RCW 80.28.303. Bonds, notes, certificates of beneficial interests in a trust, and other evidences of indebtedness or ownership issued for this purpose are rate recovery bonds for the purposes of this section.

(2) ~~((Electrical)) (a)~~ An electrical, gas, ~~((and)) or~~ water ~~((companies, or)) company~~, finance ~~((subsidiaries)) subsidiary~~, or assignee may ~~((pledge conservation investment)) grant a security interest in rate recovery assets as collateral for ((conservation)) rate recovery bonds ((by obtaining an order of the commission approving an issue of conservation bonds and providing for a security interest in conservation investment assets)). A security interest in ((conservation investment)) rate recovery assets is ((created and perfected only upon entry of an order by the commission approving a contract governing the granting of the security interest and the filing with the department of licensing of a UCC-1 financing statement, showing such pledgor as "debtor" and identifying such conservation investment assets and the bondable conservation investment associated therewith. The security interest is)) valid and enforceable against the debtor and ~~((all))~~ third parties, subject only to the rights of any third parties holding security interests in the ~~((conservation investment)) rate recovery assets attached and perfected in the manner described in this ((section,)) subsection.~~~~

(b) A security interest in rate recovery assets attaches if ((value has been)):

(i) The secured party, or a financing party that the secured party represents, has given ((by the purchasers of conservation bonds. An approved)) value; and

(ii) The debtor has signed a security agreement granting the secured party a security interest in ((conservation investment)) the rate recovery assets.

(c) A valid and enforceable security interest in rate recovery assets is perfected if: (i) The security interest has attached in the manner described in (b) of this subsection; and (ii) a financing statement has been filed in accordance with the requirements of chapter 62A.9A RCW that identifies the debtor as "debtor," the secured party as "secured party," and the rate recovery assets granted as security as the "collateral," and contains a description in the financing statement that refers to the commission's financing order creating the rate recovery assets. The financing statement is deemed sufficient under chapter 62A.9A RCW and all other relevant law for identifying the rate recovery assets granted as security.

(d) A perfected security interest in rate recovery assets is a continuously perfected security interest ((in all revenues and proceeds arising with respect to the associated bondable conservation investment)), whether or not ((such)) the related revenues have accrued((. Upon such approval, the priority of such security interest shall be as set forth in)) or the ((contract governing the conservation bonds. Conservation investment)) related rate recovery charges have been charged, billed, or collected. Rate recovery assets constitute a presently existing, fully vested property right for the purposes of contracts securing ((conservation)) the rate recovery bonds whether or not the related revenues have accrued or the related rate recovery charges have been charged, billed, or collected. Multiple security interests in the same rate recovery assets shall rank according to priority in time of perfection.

((3) The)) (e) Subject to the terms of the security agreement covering the rate recovery assets, the relative priority of a security interest created or perfected under this section is not ((defeated or)) adversely affected by: (i) Any later modification of the financing order or rate recovery assets; or (ii) the commingling of ((revenues arising with respect to conservation investment)) proceeds of rate recovery assets with other ((funds of the debtor. The holders of conservation bonds shall have a perfected security interest in all cash and deposit accounts of the debtor in which revenues arising with respect to conservation investment assets pledged to such holders have been commingled with other funds, but such perfected security interest is limited to an amount not greater than the amount of such revenues received by the debtor within twelve months before (a) any default under the conservation bonds held by the holders or (b) the institution of insolvency proceedings by or against the debtor, less payments from such revenues to the holders during such twelve-month period.

If an event of default occurs under an approved contract governing conservation bonds, the holders of conservation bonds or their authorized representatives, as secured parties, may foreclose or otherwise enforce the security interest in the conservation investment assets securing the conservation bonds, subject to the rights of any third parties holding prior security interests in the conservation investment assets perfected in the manner provided in this section.)) moneys.

(3)(a) A transfer of rate recovery assets to an assignee is perfected against all third parties if a notice of the transfer, by means of a financial statement:

(i) Is filed in accordance with the requirements of chapter 62A.9A RCW;

(ii) Specifies that the notice of transfer is filed to provide notice of the transfer of the rate recovery assets from the transferor to the assignee;

(iii) Identifies the transferor as "debtor," the assignee as "secured party," and the rate recovery asset as "collateral"; and

(iv) Contains a description that refers to the commission's financing order that created the rate recovery assets.

(b) A notice of transfer that is filed in accordance with the requirements under (a) of this subsection shall be deemed sufficient under chapter 62A.9A RCW and all other relevant laws for identifying the rate recovery assets and for providing notice that the rate recovery assets have been transferred to the assignee.

(c) A transfer is perfected against third parties on the date a notice of transfer is filed.

(d) A transfer of rate recovery assets to a financing subsidiary that is perfected under this subsection is free and clear of all claims, security interests, liens, and encumbrances of the transferring electrical, gas, or water company, except for any prior security interest perfected under subsection (2) of this section.

(e) The priority of a transfer that is perfected under this subsection is not adversely affected by:

(i) Any later modification of the financing order or rate recovery assets; or

(ii) The commingling of proceeds of rate recovery assets.

(4)(a) When proceeds of rate recovery assets are transferred to a segregated account for an assignee or secured party, any lien or security interest that may apply to those proceeds, other than a security interest perfected under subsection (2) of this section, is automatically terminated, without the need for further notice, act, or evidence.

(b) Proceeds from rate recovery assets shall be held in trust for an assignee or secured party until the proceeds have been transferred to the assignee or secured party.

(c) Any adjustment in rate recovery charges does not affect the validity, perfection, or priority of a security interest in or the transfer of rate recovery assets.

(5)(a) The rights and remedies of a secured party in enforcing a security

interest in rate recovery assets do not include and are without recourse to any electrical, gas, or water company asset except for the rate recovery assets, even if the rate recovery assets are commingled with other assets.

(b) If an electrical, gas, or water company or finance subsidiary defaults on a required payment with respect to rate recovery bonds, a secured party or secured party's representatives may apply to the commission for relief. Upon application by ~~((the holders of [or] their))~~ a secured party or secured party's representatives, the commission shall order, without limiting ~~((their))~~ other remedies of the secured party or secured party's representatives, ~~((the commission shall order))~~ the sequestration and payment to the ~~((holders or their))~~ secured party or secured party's representatives of ~~((revenues arising with respect to))~~ the ~~((conservation investment))~~ proceeds of the rate recovery assets ~~((pledged to such holders))~~. ~~((Any such))~~

(c) The interest of an assignee or financing party in rate recovery assets is not subject to setoff, counterclaim, surcharge, or defense by the electrical, gas, or water company or any other person in connection with a bankruptcy, reorganization, or insolvency proceeding. However, any surplus in excess of amounts necessary to pay principal, premium, if any, interest, and other amounts due with respect to the rate recovery bonds and associated financing costs, including enforcement costs, with respect to the security agreement shall be remitted to the debtor electrical, gas, or water company for the return of such surplus as customer refunds. A company may request authorization for the return of surplus funds by the commission in separate proceedings for this purpose. The commission shall issue an order approving or denying the petition for return of surplus funds within 90 days.

(d) The commission's financing order and any order issued under (b) of this subsection shall remain in full force and effect notwithstanding any bankruptcy, reorganization, or other insolvency proceedings with respect to ~~((the))~~ an electrical, gas, or water company debtor, or transferor with respect to rate recovery assets. ~~((Any surplus in excess of amounts necessary to pay principal, premium, if any, interest, and expenses arising under the contract governing the conservation bonds shall be remitted to the debtor electrical, gas, or water company or the debtor finance subsidiary.~~

~~((4))~~ (6) The granting, perfection, and enforcement of security interests in ~~((conservation investment))~~ rate recovery assets to secure ~~((conservation))~~ rate recovery bonds is ~~((governed by this chapter rather than by))~~ subject to chapter 62A.9A RCW, except that when a provision in chapter 62A.9A RCW comes in conflict with a provision in this section, the provision in this section shall control.

~~((5))~~ (7) A transfer of ~~((conservation investment))~~ rate recovery assets by an electrical, gas, or water company to a finance subsidiary or other assignee, which

such parties have in the governing documentation expressly stated to be a sale or other absolute transfer, in a transaction approved in ~~((an))~~ a financing order ~~((issued by the commission and in connection with the issuance by such finance subsidiary of conservation bonds))~~, shall be treated as a true sale, and not as a pledge or other financing, of such ~~((conservation investment))~~ rate recovery assets. According to the holders of ~~((conservation))~~ rate recovery bonds a preferred right to revenues of the electrical, gas, or water company, or the provision by such company of other credit enhancement with respect to ~~((conservation))~~ rate recovery bonds, does not impair or negate the characterization of any such transfer as a true sale.

~~((6))~~ (8) Any successor to an electrical, gas, or water company pursuant to any bankruptcy, reorganization, or other insolvency proceeding shall perform and satisfy all obligations of the company under an approved contract governing ~~((conservation))~~ rate recovery bonds, in the same manner and to the same extent as was required of such company before any such proceeding, including, without limitation, billing, collecting, and paying to the bondholders or their representatives revenues arising with respect to the ~~((conservation investment))~~ rate recovery assets pledged to secure the ~~((conservation))~~ rate recovery bonds.

(9) Except for enforcement permitted under the laws of another state, the laws of this state shall govern the creation, validity, enforceability, attachment, perfection, priority, and exercise of remedies with respect to the creation or transfer of a security interest in a rate recovery asset.

Sec. 7. RCW 80.28.309 and 1994 c 268 s 4 are each amended to read as follows:

(1) Costs incurred before ~~((June 9, 1994,))~~ the effective date of this section by electrical, gas, or water companies with respect to events described in RCW 80.28.005(3)(a) or energy or water conservation measures and services ~~((intended to improve the efficiency of energy or water end use))~~ described in RCW 80.28.005(3)(b) shall constitute bondable ~~((conservation investment))~~ rate recovery expenditures for purposes of RCW 80.28.005, 80.28.303, 80.28.306, and this section, if:

(a) The commission has previously issued a rate order authorizing the inclusion of such costs in rate base; and

(b) The commission authorizes the issuance of ~~((conservation))~~ rate recovery bonds secured by ~~((conservation investment))~~ rate recovery assets associated with such costs.

(2) If costs incurred before ~~((June 9, 1994,))~~ the effective date of this section by electrical, gas, or water companies with respect to events described in RCW 80.28.005(3)(a) or energy or water conservation measures ~~((intended to improve the efficiency of energy or water end use))~~ described in RCW 80.28.005(3)(b) have not previously been considered by the commission for inclusion in rate base, an

electrical, gas, or water company may apply to the commission for approval of such costs. If the commission finds that the expenditures are ((a)) bondable ~~((conservation investment))rate recovery expenditures~~, the commission shall by order designate such expenditures as bondable ~~((conservation investment))rate recovery expenditures~~, which shall be subject to RCW 80.28.005, 80.28.303, 80.28.306, sections 3 and 4 of this act, and this section.

Sec. 8. RCW 80.08.140 and 1961 c 14 s 80.08.140 are each amended to read as follows:

No provision of this chapter, RCW 80.28.005, 80.28.303, 80.28.306, 80.28.309, or section 3 or 4 of this act, and no deed or act done or performed under or in connection therewith, shall be held or construed to obligate the state of Washington or any agency, instrumentality, political subdivision, or local government thereof to pay or guarantee, in any manner whatsoever, any stock or stock certificate or other evidence of interest or ownership, or bond, note or other evidence of indebtedness, authorized, issued or executed under the provisions of this chapter, RCW 80.28.005, 80.28.303, 80.28.306, 80.28.309, or section 3 or 4 of this act.

NEW SECTION. Sec. 9. A new section is added to chapter 80.28 RCW to read as follows:

If any provision of this section and sections 1, 3, and 4 of this act or the amendments to RCW 80.08.140, 80.28.005, 80.28.303, 80.28.306, and 80.28.309 by sections 2, 5, 6, 7, and 8 of this act is determined to be invalid, or is invalidated, superseded, replaced, repealed, or expired, such determination or occurrence does not affect the validity of any action allowed under this section and sections 1, 3, and 4 of this act or the amendments to RCW 80.08.140, 80.28.005, 80.28.303, 80.28.306, and 80.28.309 by sections 2, 5, 6, 7, and 8 of this act and taken in good faith and pursuant to a financing order issued prior to such determination or occurrence.

NEW SECTION. Sec. 10. Except to the extent required by section 7 of this act, this act applies prospectively only and not retroactively. Nothing in this act shall impair or affect the validity of any conservation bonds issued under RCW 80.28.303, 80.28.306, and 80.28.309 as those sections existed prior to the effective date of this section. Conservation bonds issued under those sections prior to the effective date of this section shall continue to be governed by the provisions of such sections as they existed at the time such conservation bonds were issued.

NEW SECTION. Sec. 11. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2025, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 12. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

On page 1, line 3 of the title, after "customers;" strike the remainder of the title and insert "amending RCW 80.28.005, 80.28.303, 80.28.306, 80.28.309, and 80.08.140; adding new sections to chapter 80.28 RCW; creating new sections; and declaring an emergency."

and the same is herewith transmitted.

Sarah Bannister, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1990 and advanced the bill, as amended by the Senate, to final passage.

Representatives Abbarno and Gregerson spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1990, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1990, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 93; Nays, 4; Absent, 0; Excused, 1

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Chase, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Graham, Gregerson, Griffey, Hackney, Hill, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mena, Mendoza, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Volz, Walen, Walsh, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Voting Nay: Representatives Dufault, Hunt, Macri and Ramel
Excused: Representative Lekanoff

SECOND SUBSTITUTE HOUSE BILL NO. 1990, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Wednesday, April 9, 2025

Mme. Speaker:

The Senate has passed HOUSE BILL NO. 1167, with the following amendment(s): 1167 AMS LIA S2678.1

On page 2, beginning on line 6, after "(f)" strike all material through "(g)" on line 8

Reletter the remaining subsections consecutively and correct any internal references accordingly.

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1167 and advanced the bill, as amended by the Senate, to final passage.

Representatives Shavers and Keaton spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of House Bill No. 1167, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1167, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Chase, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dufault, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Graham, Gregerson, Griffey, Hackney, Hill, Hunt, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Marshall, McClintock, McEntire, Mena, Mendoza, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Volz, Walen, Walsh, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Excused: Representative Lekanoff

HOUSE BILL NO. 1167, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Tuesday, April 15, 2025

Mme. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1154, with the following amendment(s): 1154-S2 AMS ENGR S2796.E

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 70A.205.125 and 2016 c 119 s 4 are each amended to read as follows:

(1) Applications for permits to operate a new or modified solid waste handling facility shall be on forms prescribed by the department and shall contain a description of the proposed facilities and operations at the site, plans and specifications for any new or additional facilities to be constructed, and such other information as the jurisdictional health department may deem necessary in order to determine whether the site and solid waste disposal facilities located thereon will comply with local regulations and state rules.

(2) Upon receipt of an application for a permit to establish or modify a solid waste handling facility, the jurisdictional health department shall refer one copy of the application to the department which shall report its findings to the jurisdictional health department. When the application is for a permit to establish or modify a solid waste handling facility located in an area that is not under a quarantine, as defined in RCW 17.24.007, and when the facility will receive material for composting from an area under a quarantine, the jurisdictional health department shall also provide a copy of the application to the department of agriculture. The department of agriculture shall review the application to determine whether it contains information demonstrating that the proposed facility presents a risk of spreading disease, plant pathogens, or pests to areas that are not under a quarantine. For the purposes of this subsection, "composting" means the biological degradation and transformation of organic solid waste under controlled conditions designed to promote aerobic decomposition.

(3) The jurisdictional health department shall investigate every application as may be necessary to determine whether a proposed or modified site and facilities meet all solid waste, air, and other applicable laws and regulations, and conforms with the approved comprehensive solid waste handling plan, and complies with all zoning requirements.

(4) When the jurisdictional health department finds that the permit should be issued, ~~((it))~~ and the department has approved the permit under RCW 70A.205.130(4), the jurisdictional health department shall issue such permit. Every application shall be approved or disapproved within ~~((ninety))~~ 90 days after its receipt by the jurisdictional health department.

(5) The jurisdictional board of health may establish reasonable fees for permits and renewal of permits. All permit fees collected by the health department shall be deposited in the treasury and to the account from which the health department's operating expenses are paid.

Sec. 2. RCW 70A.205.130 and 2020 c 20 s 1173 are each amended to read as follows:

~~((Every))~~ (1) Except as provided in subsection (4) of this section, every permit issued by a jurisdictional health department under RCW 70A.205.125 shall be reviewed by the department to ensure that the proposed site or facility conforms with:

~~((1))~~ (a) All applicable laws and regulations including the ~~((minimal))~~ minimum functional standards for solid waste handling; and

~~((2))~~ (b) The approved comprehensive solid waste management plan.

(2) The department shall review the permit within ~~((thirty))~~ 30 days after the issuance of the permit by the jurisdictional health department. ~~((The))~~ For solid waste handling facilities other than landfills, the department may appeal the issuance of the permit by the jurisdictional health department to the pollution control hearings

board, as described in chapter 43.21B RCW, for noncompliance with subsection (1) (~~((or (2)))~~) (a) or (b) of this section.

(3) No permit issued pursuant to RCW 70A.205.125 after June 7, 1984, shall be considered valid unless it has been reviewed by the department.

(4) (a) Every permit issued by a jurisdictional health department under RCW 70A.205.125 for landfilling must be reviewed and approved by the department to ensure that the proposed landfill conforms with:

(i) All applicable laws and regulations including the minimum functional standards for solid waste handling; and

(ii) The approved comprehensive solid waste management plan.

(b) The department shall review the permit prior to the issuance of the permit by the jurisdictional health department. The department may only approve a permit that ensures that the landfill conforms with all applicable laws and regulations, including the minimum functional standards for solid waste handling. The department may require a jurisdictional health department to amend the contents of a proposed permit to ensure conformance with applicable laws and regulations, including the minimum functional standards for solid waste handling.

(c) A jurisdictional health department or applicant may appeal the department's denial or amendment of a landfill permit under this section, including the denial of the renewal of a permit, to the pollution control hearings board.

(d) No permit issued under this subsection after August 1, 2027, is considered valid unless it has been approved by the department.

Sec. 3. RCW 70A.205.135 and 2020 c 20 s 1174 are each amended to read as follows:

(1) Every permit for an existing solid waste handling facility issued pursuant to RCW 70A.205.125 shall be renewed at least every five years on a date established by the jurisdictional health department having jurisdiction of the site and as specified in the permit. If a permit is to be renewed for longer than one year, the local jurisdictional health department may hold a public hearing before making such a decision. Prior to renewing a permit, the health department shall conduct a review as it deems necessary to assure that the solid waste handling facility or facilities located on the site continues to meet minimum functional standards of the department, applicable local regulations, and are not in conflict with the approved solid waste management plan. A jurisdictional health department shall approve or disapprove a permit renewal within ~~((forty-five))~~⁴⁵ days of conducting its review. The department shall review and may appeal the renewal of permits for solid waste handling facilities other than landfills as set forth for the approval of permits in RCW 70A.205.130(2). The department must review and approve or disapprove renewal of permits for landfill disposal facilities as set forth in RCW 70A.205.130(4).

(2) The jurisdictional board of health may establish reasonable fees for permits reviewed under this section. All permit fees collected by the health department shall be deposited in the treasury and to the account from which the health department's operating expenses are paid.

Sec. 4. RCW 70A.205.140 and 2016 c 119 s 5 are each amended to read as follows:

Any permit for a solid waste disposal site issued as provided herein shall be subject to suspension at any time the department or the jurisdictional health department determines that the site or the solid waste disposal facilities located on the site are being operated in violation of this chapter, the regulations of the department, the rules of the department of agriculture, or local laws and regulations.

NEW SECTION. Sec. 5. A new section is added to chapter 70A.205 RCW to read as follows:

(1) This section establishes a cooperative program of solid waste handling facility management between local government and the state. Local government shall have the primary responsibility for issuing the permits required by this chapter, administering the regulatory program consistent with the policy and provisions of this chapter, and imposing penalties for violations of the provisions of this chapter. The department shall act primarily in a supportive and review capacity with an emphasis on ensuring compliance with the policy and provisions of this chapter. The department shall enforce the requirements of this chapter under the following circumstances:

(a) A jurisdictional health department may send written notice to the department that it is deferring to the department's authority under this section to enforce the requirements of this chapter with respect to a solid waste handling facility in a jurisdiction.

(b) The department determines that a jurisdictional health department's enforcement action is inadequate to address violations of this chapter by a solid waste handling facility operator. A jurisdictional health department's enforcement action is inadequate when any of the following occur without successful resolution of the violation:

(i) The jurisdictional health department fails to conduct an inspection to verify a reported, credible alleged violation within 45 calendar days after receiving notification of the violation;

(ii) The jurisdictional health department fails to issue a notice of violation or corrective action order within 60 calendar days after observing a violation during an inspection or on-site visit;

(iii) The jurisdictional health department fails to take any enforcement action as authorized under this chapter within 90 calendar days after issuing a notice of violation; or

(iv) The jurisdictional health department has initiated enforcement action but the violation has continued for more than 180

days without resolution or substantial progress toward resolution.

(c) A jurisdictional health department shall notify the department within a reasonable amount of time of the dates and official communications regarding the following activities with respect to a solid waste handling facility operator:

(i) Receipt of a reported, credible alleged violation of this chapter;

(ii) Observation of a violation of this chapter during an inspection or on-site visit;

(iii) Notice of a violation of this chapter or corrective action that was sent by the jurisdictional health department to a solid waste handling operator;

(iv) Any enforcement action taken by the jurisdictional health department; and

(v) Any activities by the solid waste handling facility operator that constitute resolution or progress toward resolution of the violations of this chapter.

(2) When the department determines that a jurisdictional health department enforcement action is inadequate and that it will take enforcement action under subsection (1)(b) of this section, the department shall provide written notice of its intent to enforce to the jurisdictional health department and to the solid waste handling facility operator. The department's notice of intent to enforce must be provided no less than 30 calendar days prior to the department issuing a penalty or order under this section and section 6 of this act. The 30-day notice requirement may be waived if the violation presents an immediate and substantial endangerment to human health or the environment requiring urgent action. The department's notice of intent to enforce must include:

(a) Identification of the alleged violations of the statute, regulation, or rule that are the basis for the department's enforcement action and the number of alleged violations;

(b) A description of the department's process that led to its determination that such violations existed;

(c) Which of the criteria under subsection (1)(b)(i) through (iv) of this section apply;

(d) The proposed start date and any end date of the department's enforcement action; and

(e) The proposed geographical boundaries of solid waste handling facilities at which the enforcement action is planned.

(3) If within 30 calendar days of the jurisdictional health department's receipt of the department's notice of intent to enforce, and the violation does not present an immediate and substantial endangerment to human health or the environment, the jurisdictional health department initiates an enforcement action that the department and the jurisdictional health department agree will adequately address the identified violations, the department will hold its enforcement action in abeyance.

(4) Upon receipt of an order by the jurisdictional health department or the department, a solid waste handling facility owner or operator must provide information necessary to determine compliance with the

requirements of this chapter applicable to solid waste handling facilities.

(5) An applicant or permittee must allow the jurisdictional health department and department to conduct inspections and collect samples.

(6) This section does not apply to actions taken by the department under chapter 70A.305 RCW.

NEW SECTION. Sec. 6. A new section is added to chapter 70A.205 RCW to read as follows:

(1) In addition to the provisions of RCW 70A.205.140, and in accordance with the procedures described in section 5 of this act, for any person engaged in solid waste handling subject to permitting under this chapter, the enforcement authority may:

(a) Impose a civil penalty not to exceed \$5,000 per day for the first 14 days of violation of the requirements of this chapter or a permit issued under this chapter. If the violation is not resolved within 14 days, the agency imposing the penalty may increase the penalty not to exceed \$10,000 per day of violation of the requirements of this chapter or a permit issued under this chapter; and

(b) Issue an order requiring compliance with the requirements of this chapter or a permit issued under this chapter. A person who fails to take corrective action as specified in a compliance order is liable for a civil penalty as provided in (a) of this subsection. Before issuing a civil penalty, the enforcement authority will attempt through education and outreach to assist the person engaged in solid waste handling with achieving compliance with the requirements of this chapter or a permit issued under this chapter.

(2) If a solid waste handling facility owner or operator pays a penalty under this section for a violation to a government entity, any penalty imposed by a different government entity for a violation based on the same incident and conduct shall be reduced by the amount of the prior penalty.

(3)(a) Penalties levied by a jurisdictional health department shall be deposited in the treasury and to the account from which such jurisdictional health department's operating expenses are paid.

(b) Penalties levied by the department under this section must be deposited in the model toxics control operating account created in RCW 70A.305.180.

(4) A person who is issued an order or incurs a penalty from:

(a) A jurisdictional health department may appeal the order or penalty to the local health officer;

(b) The department under this section may appeal the order or penalty to the pollution control hearings board created by chapter 43.21B RCW.

Sec. 7. RCW 43.21B.110 and 2024 c 347 s 5, 2024 c 340 s 4, and 2024 c 339 s 16 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 70A.15 RCW, local health departments, the department of natural resources, the department of fish and wildlife, the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to chapter 70A.230 RCW and RCW 18.104.155, 70A.15.3160, 70A.300.090, 70A.20.050, 70A.230.020, section 6 of this act, 70A.205.280, 70A.355.070, 70A.430.070, 70A.500.260, 70A.505.100, 70A.505.110, 70A.530.040, 70A.350.070, 70A.515.060, 70A.245.040, 70A.245.050, 70A.245.070, 70A.245.080, 70A.245.130, 70A.245.140, 70A.65.200, 70A.455.090, 70A.550.030, 70A.555.110, 70A.560.020, 70A.565.030, 76.09.170, 77.55.440, 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, 18.104.130, 43.27A.190, 70A.15.2520, 70A.15.3010, 70A.15.4530, 70A.15.6010, section 6 of this act, 70A.205.280, 70A.214.140, 70A.300.120, 70A.350.070, 70A.245.020, 70A.65.200, 70A.505.100, 70A.555.110, 70A.560.020, 70A.565.030, 86.16.020, 88.46.070, 90.03.665, 90.14.130, 90.46.250, 90.48.120, 90.48.240, 90.56.330, and 90.64.040.

(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, a decision to approve or deny a solid waste management plan under RCW 70A.205.055, approval or denial of an application for a beneficial use determination under RCW 70A.205.260, an application for a change under RCW 90.03.383, or a permit to distribute reclaimed water under RCW 90.46.220.

(d) Decisions of local health departments regarding the granting or denial of solid waste permits pursuant to chapter 70A.205 RCW, including appeals by the department as provided in RCW 70A.205.130.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70A.226.090.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820.

(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 as provided in RCW 90.64.028.

(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, to issue a stop work order, to issue a notice to comply, to issue a civil penalty, or to issue a notice of intent to disapprove applications.

(l) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(m) Decisions of 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.

(n) Decisions of the department of ecology that are appealable under RCW 70A.245.020 to set recycled minimum postconsumer content for covered products or to temporarily exclude types of covered products in plastic containers from minimum postconsumer recycled content requirements.

(o) Orders by the department of ecology under RCW 70A.455.080.

(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, except where appeals to the pollution control hearings board and appeals to the shorelines hearings board have been consolidated pursuant to RCW 43.21B.340.

(b) Hearings conducted by the department pursuant to RCW 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100, 70A.15.3110, 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.

(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. 8. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2025, in the omnibus appropriations act, this act is null and void."

On page 1, line 2 of the title, after "operations;" strike the remainder of the title and insert "amending RCW 70A.205.125, 70A.205.130, 70A.205.135, and 70A.205.140; reenacting and amending RCW 43.21B.110; adding new sections to chapter 70A.205 RCW; creating a new section; and prescribing penalties."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1154 and advanced the bill, as amended by the Senate, to final passage.

Representative Duerr spoke in favor of the passage of the bill.

Representative Dye spoke against the passage of the bill.

MOTION

On motion of Representative Ramel, Representative Hackney was excused.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1154, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1154, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 57; Nays, 39; Absent, 0; Excused, 2

Voting Yea: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hill, Hunt, Kloba, Leavitt, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rule, Ryu, Salahuddin, Santos, Scott, Shavers, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Penner, Rude, Schmick, Schmidt, Steele, Stokesbary, Stuebe, Volz, Walsh, Waters and Ybarra

Excused: Representatives Hackney and Lekanoff

SECOND SUBSTITUTE HOUSE BILL NO. 1154, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

Tuesday, April 15, 2025

Mme. Speaker:

The Senate has passed HOUSE BILL NO. 1130, with the following amendment(s): 1130 AMS WICL S2493.3

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that resources to support people with developmental disabilities are limited and many are in dire need of support. Enrollment into and receipt of developmental disabilities administration home and community-based services and supports can prevent traumatic and expensive hospital stays and institutionalization as well as

harm in communities leading to incarceration. The legislature recognizes that until the state can achieve a system capable of providing help as soon as help is needed for all individuals with developmental disabilities, it is imperative to strategically intervene at times of crisis so that populations for which intervention is most critical are served without delay. Therefore, the legislature intends to provide a clear prioritization of populations most in need for developmental disabilities services and supports.

NEW SECTION. Sec. 2. A new section is added to chapter 71A.10 RCW to read as follows:

(1) When enrolling eligible clients in open home and community-based services waiver slots and for the purposes of determining access to specific waiver services, to the extent consistent with federal law and federal funding requirements, the administration shall prioritize clients in the following populations:

(a) Persons who are age 45 and older;
(b) Persons who, within the previous six months, have remained in a hospital without a safe discharge plan;

(c) Persons with intellectual or developmental disabilities who are transitioning from high school and need a waiver with supported employment services;

(d) Persons who are discharging from institutional settings including residential habilitation centers and state hospitals;

(e) Persons the administration has determined to be in immediate risk of admission to an intermediate care facility due to unmet health and welfare needs;

(f) Persons who have been found incompetent to stand trial in a criminal matter due to a developmental disability;

(g) Persons eligible for services under RCW 71A.12.090; and

(h) Persons currently and formerly eligible for services through a community protection waiver in the interest of enhancing the safety of the community, caretakers, and others.

(2) Persons who meet the criteria outlined in RCW 71A.12.370 shall be enrolled in waiver services, to the extent consistent with federal law and federal funding requirements.

(3) The administration shall align its rules to provide for the prioritization for waiver slots and services for the populations identified in subsection (1) of this section.

(4) The administration shall routinely collect data on the following items related to home and community-based services waivers and make the data publicly available on the administration's website:

(a) The number of people enrolled in each waiver;

(b) The capacity and waitlist, if any, for each waiver, including the number of people from the prioritized populations identified in subsection (1) of this section as well as persons identified in subsection (2) of this section who are on a waitlist for waiver enrollment;

(c) The number of people from the prioritized populations identified in subsection (1) of this section as well as persons identified in subsection (2) of this section that have been enrolled on each waiver since the last report;

(d) Any requests for waiver services that have not been fulfilled and the reason the request has not been fulfilled; and

(e) Any unfulfilled requests for waiver services from the prioritized populations identified in subsection (1) of this section as well as persons identified in subsection (2) of this section, including the type of service and the reason the request has not been fulfilled."

On page 1, line 2 of the title, after "waivers;" strike the remainder of the title and insert "adding a new section to chapter 71A.10 RCW; and creating a new section."

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1130 and advanced the bill, as amended by the Senate, to final passage.

Representatives Farivar and Eslick spoke in favor of the passage of the bill.

Representative Walsh spoke against the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of House Bill No. 1130, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1130, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 89; Nays, 7; Absent, 0; Excused, 2

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Chase, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dufault, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Griffey, Hill, Hunt, Jacobsen, Keaton, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Marshall, McClintock, Mena, Mendoza, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Ybarra, Zahn and Mme. Speaker

Voting Nay: Representatives Graham, Klicker, McEntire, Schmidt, Volz, Walsh and Waters

Excused: Representatives Hackney and Lekanoff

HOUSE BILL NO. 1130, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on House Bill No. 1130.

Representative Klicker, 16th District

THIRD READING

MESSAGE FROM THE SENATE

Monday, April 14, 2025

Mme. Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1102, with the following amendment(s): 1102-S2.E AMS VALD S2903.1

On page 2, line 26, after "December 1," strike "2026" and insert "2028"

On page 4, after line 9, insert the following:

"NEW SECTION. **Sec. 4.** This act takes effect July 1, 2028."

On page 1, at the beginning of line 3 of the title, strike "and creating a new section" and insert "creating a new section; and providing an effective date"

and the same is herewith transmitted.

Colleen Pehar, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1102 and advanced the bill, as amended by the Senate, to final passage.

Representatives Shavers and Barnard spoke in favor of the passage of the bill.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1102, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1102, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 2

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Berg, Bergquist, Bernbaum, Berry, Bronoske, Burnett, Caldier, Callan, Chase, Connors, Corry, Cortes, Couture, Davis, Dent, Doglio, Donaghy, Duerr, Dufault, Dye, Engell, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Graham, Gregerson, Griffey, Hill, Hunt, Jacobsen, Keaton, Klicker, Kloba, Leavitt, Ley, Low, Macri, Manjarrez, Marshall, McClintock, McEntire, Mena, Mendoza, Morgan, Nance, Obras, Orcutt, Ormsby, Ortiz-Self, Parshley, Paul, Penner, Peterson, Pollet, Ramel, Reed, Reeves, Richards, Rude, Rule, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Shavers, Simmons, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Timmons, Volz, Walen, Walsh, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Excused: Representatives Hackney and Lekanoff

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1102, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

HOUSE BILL NO. 1498, by Representatives Davis, Couture, Macri, Griffey, Walen, Reed, Simmons, Goodman, Parshley, Leavitt, Pollet, Hill, Salahuddin and Scott

Concerning domestic violence co-responder programs.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1498 was substituted for House Bill No. 1498 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1498 was read the second time.

With the consent of the House, amendment (771) was withdrawn.

Representative Graham moved the adoption of amendment (999):

On page 1, beginning on line 8, after "receipts from" strike all material through "36.18.010" on line 9 and insert "penalties assessed for deposit into the domestic violence co-responder account under RCW 10.99.080"

On page 2, beginning on line 14, strike all of section 3 and insert the following:

"Sec. 3. RCW 10.99.080 and 2023 c 470 s 1003 are each amended to read as follows:

(1) All superior courts, and courts organized under Title 3 or 35 RCW, may impose a penalty of one hundred dollars, plus an additional fifteen dollars on any adult offender convicted of a crime involving domestic violence, and must impose a penalty of fifty dollars on any adult offender convicted of a crime involving domestic violence; in no case shall a penalty assessment exceed one hundred ((fifteen)) sixty-five dollars on any adult offender convicted of a crime involving domestic violence. The assessment shall be in addition to, and shall not supersede, any other penalty, restitution, fines, or costs provided by law.

(2) Revenue from the:

(a) One hundred dollar assessment shall be used solely for the purposes of establishing and funding domestic violence advocacy and domestic violence prevention and prosecution programs in the city or county of the court imposing the assessment. Such revenue from the assessment shall not be used for indigent criminal defense. If the city or county does not have domestic violence advocacy or domestic violence prevention and prosecution programs, cities and counties may use the revenue collected from the assessment to contract with recognized community-based domestic violence program providers.

(b) Fifteen dollar assessment must be remitted monthly to the state treasury for deposit in the domestic violence prevention account.

(c) Fifty dollar assessment must be remitted monthly to the state treasury for deposit into the domestic violence co-responder account created in section 1 of this act.

(3) The one hundred dollar assessment imposed under this section shall not be

subject to any state or local remittance requirements under chapter 3.46, 3.50, 3.62, 7.68, 10.82, or 35.20 RCW.

(4) For the purposes of this section, "convicted" includes a plea of guilty, a finding of guilt regardless of whether the imposition of the sentence is deferred or any part of the penalty is suspended, or the levying of a fine. For the purposes of this section, "domestic violence" has the same meaning as that term is defined under RCW 10.99.020 and includes violations of equivalent local ordinances.

(5) When determining whether to impose a penalty assessment under this section, judges are encouraged to solicit input from the victim or representatives for the victim in assessing the ability of the convicted offender to pay the penalty, including information regarding current financial obligations, family circumstances, and ongoing restitution."

Correct the title.

Representatives Graham, Walsh and Abbarno spoke in favor of the adoption of the amendment.

Representative Davis spoke against the adoption of the amendment.

Amendment (999) was not adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Davis and Couture spoke in favor of the passage of the bill.

The Speaker (Representative Timmons presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1498.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1498, and the bill passed the House by the following vote: Yeas, 67; Nays, 29; Absent, 0; Excused, 2

Voting Yea: Representatives Barkis, Barnard, Berg, Bergquist, Berry, Bronoske, Burnett, Callan, Connors, Cortes, Couture, Davis, Doglio, Donaghy, Duerr, Dye, Entenman, Eslick, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Graham, Gregerson, Hill, Hunt, Keaton, Klicker, Kloba, Leavitt, Macri, Manjarrez, Mena, Nance, Obras, Ormsby, Parshley, Paul, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Schmick, Schmidt, Scott, Springer, Stearns, Steele, Stokesbary, Stonier, Street, Stuebe, Taylor, Thai, Tharinger, Thomas, Walen, Waters, Wylie, Ybarra, Zahn and Mme. Speaker

Voting Nay: Representatives Abbarno, Abell, Bernbaum, Caldier, Chase, Corry, Dent, Dufault, Engell, Griffey, Jacobsen, Ley, Low, Marshall, McClintock, McEntire, Mendoza, Morgan, Orcutt, Ortiz-Self, Penner, Richards, Rude, Rule, Shavers, Simmons, Timmons, Volz and Walsh

Excused: Representatives Hackney and Lekanoff

SUBSTITUTE HOUSE BILL NO. 1498, having received the necessary constitutional majority, was declared passed.

With the consent of the House, SUBSTITUTE HOUSE BILL NO. 1498 was immediately transmitted to the Senate.

The Speaker (Representative Timmons presiding) called upon Representative Stearns to preside.

SECOND READING

HOUSE BILL NO. 2049, by Representatives Bergquist, Pollet, Santos, Peterson, Fosse, Ryu, Ormsby, Parshley, Macri, Wylie, Berry, Ramel, Street, Gregerson, Doglio, Farivar, Reed, Reeves, Hill and Callan

Investing in the state's paramount duty to fund K-12 education and build strong and safe communities.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2049 was substituted for House Bill No. 2049 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2049 was read the second time.

With the consent of the House, amendment (1364) was withdrawn.

Representative Bergquist moved the adoption of amendment (1325):

Beginning on page 1, line 8, strike all of section 1

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

On page 5, line 11, after "by inflation" strike ", plus inflation enhancements,"

On page 5, line 27, after "means" strike all material through "labor" on line 31 and insert the following:

"((, for any school year, the rate of the yearly increase of the previous calendar year's annual average consumer price index for all urban consumers, Seattle area, using the official current base compiled by the bureau of labor statistics, United States department of labor)) the implicit price deflator for the previous calendar year using the official current base, compiled by the bureau of economic analysis, United States department of commerce"

On page 5, line 32, after "(c)" strike all material through "(d)" on line 36

On page 6, at the beginning of line 4, strike "((+d)) (e)" and insert "(d)"

On page 6, at the beginning of line 15, strike "((+e)) (f)" and insert "(e)"

On page 6, line 17, after "for inflation" strike ", plus inflation enhancements,"

On page 6, at the beginning of line 19, strike "((+f)) (g)" and insert "(f)"

Beginning on page 6, line 30, strike all of sections 4 through 7

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

On page 9, line 1, after "formulas" insert "and revenue sources"

On page 9, line 12, after "formula;" strike "and"

On page 9, line 13, after "(d)" insert the following:

"Impacts of economic disparities on communities' access to resources for schools; and
(e)"

On page 9, line 28, after "need;" strike "and"

On page 9, line 29, after "(d)" insert the following

"Modifications to state and local tax authority for schools; and
(e)"

On page 9, line 38, after "inequities," insert "the department of revenue,"

Beginning on page 9 line 39, after "(4)" strike all material through "(5)" on page 10, line 7

Representative Orcutt moved the adoption of amendment (1353) to amendment (1325):

On page 1, after line 5 of the amendment, insert the following:

"Beginning on page 2, line 26, after "means the" strike all material through "year." on page 3 line 22 and insert the following:

"((percentage change in the seasonally adjusted consumer price index for all urban consumers, Seattle area, for the most recent 12-month period as of September 25th of the year before the taxes are payable, using the official current base compiled by the United States bureau of labor statistics)) implicit price deflator for the previous calendar year using the official current base, compiled by the bureau of economic analysis, United States department of commerce.

(b) "Maximum per-pupil limit" means:

(i) Two thousand five hundred dollars, as increased by inflation beginning with property taxes levied for collection in 2020, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year, for school districts with fewer than forty thousand annual full-time equivalent students enrolled in the school district in the prior school year; or

(ii) Three thousand dollars, as increased by inflation beginning with property taxes levied for collection in 2020, multiplied by the number of average annual full-time equivalent students enrolled in the school district in the prior school year, for school districts with forty thousand or more annual full-time equivalent students enrolled in the school district in the prior school year.

(c) "Open for in-person instruction to all students" means that all students in all grades have the option to participate in at least 40 hours of planned in-person instruction per month and the school follows state department of health guidance and recommendations for resuming in-person instruction to the greatest extent practicable."

Representatives Orcutt, Walsh, Orcutt (again), Dye and Dufault spoke in favor of the adoption of the amendment to the amendment.

Representative Bergquist spoke against the adoption of the amendment to the amendment.

Amendment (1353) to amendment (1325) was not adopted.

Representative Abell moved the adoption of amendment (1355) to amendment (1325):

On page 1, after line 5 of the amendment, insert the following:

"On page 2, line 32, after "year" insert "subject to subsection (2)(b)(iii)"

On page 2, line 34, after "years" insert "subject to subsection (2)(b)(iii)"

On page 2, after line 34, insert the following:

"(iii) Inflation enhancements provided in this subsection (b) may only apply to enrichment levies approved by voters in elections after the effective date of this act."

Representatives Abell, Caldier, Dufault, Orcutt and Walsh spoke in favor of the adoption of the amendment to the amendment.

Representative Berg spoke against the adoption of the amendment to the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1355) to amendment (1325) and the amendment was not adopted by the following vote: Yeas, 45; Nays, 53; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1355) to amendment (1325) was not adopted.

Representative Keaton moved the adoption of amendment (1356) to amendment (1325):

On page 1, after line 5 of the amendment, insert the following:

"On page 2, line 32, after "year" insert "subject to subsection (2)(b)(iii)"

On page 2, line 34, after "years" insert "subject to subsection (2)(b)(iii)"

On page 2, after line 34, insert the following:

"(iii) Inflation enhancements provided in this subsection (b) may only apply if the percentage of students in the school district that meet standard on the state math and English language arts assessments is at least 70 percent."

Representatives Keaton, Stuebe, Couture, McEntire, Caldier and Stuebe (again) spoke in favor of the adoption of the amendment to the amendment.

Representatives Santos and Stonier spoke against the adoption of the amendment to the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1356) to amendment (1325) and the amendment was not adopted by the following vote: Yeas, 43; Nays, 55; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Rule, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1356) to amendment (1325) was not adopted.

Representative Corry moved the adoption of amendment (1361) to amendment (1325):

On page 1, beginning on line 6 of the amendment, strike all material through "enhancements," on line 7 and insert the following:

"On page 5, line 5 after "28A.715 RCW" insert "and charter schools established under chapter 28A.710 RCW"

On page 5, line 9, after "compact school" insert "or charter school"

On page 5, line 11, after "by inflation" strike ", plus inflation enhancements,"

On page 5, line 13, after "compact school" insert "or charter school"

Representatives Corry, Corry (again), Walsh and Couture spoke in favor of the adoption of the amendment to the amendment.

Representative Santos spoke against the adoption of the amendment to the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Stearns presiding) divided the House. The result was 41 - YEAS; 50 - NAYS.

Amendment (1361) to amendment (1325) was not adopted.

Representative Rude moved the adoption of amendment (1352) to amendment (1325):

On page 1, after line 27 of the amendment, insert the following:

"On page 6, line 16, after "~~dollars~~)" strike "\$1,550" and insert "60 percent multiplied by the maximum per-pupil limit under RCW 84.52.0531 that applies to school districts with 40,000 or more annual full-time equivalent students"

Representatives Rude, Dufault, Walsh and Couture spoke in favor of the adoption of the amendment to the amendment.

Representative Fitzgibbon spoke against the adoption of the amendment to the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1352) to amendment (1325) and the amendment was not adopted by the following vote: Yeas, 44; Nays, 54; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1352) to amendment (1325) was not adopted.

Representative Couture moved the adoption of amendment (1354) to amendment (1325):

On page 1, after line 27 of the amendment, insert the following:

"On page 6, line 16, after "~~dollars~~)" strike "\$1,550" and insert "the maximum per-pupil limit under RCW 84.52.0531 that applies to school districts with 40,000 or more annual full-time equivalent students"

Representatives Couture, Couture (again), Walsh and Dufault spoke in favor of the adoption of the amendment to the amendment.

Representative Fitzgibbon spoke against the adoption of the amendment to the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1354) to amendment (1325) and the amendment was not adopted by the following vote: Yeas, 45; Nays, 53; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Leavitt, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick,

Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1354) to amendment (1325) was not adopted.

Representative Penner moved the adoption of amendment (1363) to amendment (1325):

Beginning on page 1, at the beginning of line 6 of the amendment, strike all material through "insert "(f)" on page 2, line 5

Representatives Penner and Orcutt spoke in favor of the adoption of the amendment to the amendment.

Representative Gregerson spoke against the adoption of the amendment to the amendment.

The Speaker (Representative Stearns presiding) called upon Representative Shavers to preside.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1363) to amendment (1325) and the amendment was not adopted by the following vote: Yeas, 43; Nays, 55; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Timmons, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1363) to amendment (1325) was not adopted.

Representatives Bergquist and Orcutt spoke in favor of the adoption of the amendment.

Amendment (1325) was adopted.

Representative Caldier moved the adoption of amendment (1362):

On page 6, after line 29, insert the following:

"(7) An additional hardship enrichment payment of \$500 per pupil is provided to the following school districts in the 2025-26 school year due to factors including declines in local effort assistance funding, higher tax rates relative to other school districts of the same size within their county, proximity to military bases, and poverty levels: Auburn, Bellingham, Federal Way, Kent, Lakewood, Oak Harbor, Peninsula, South Kitsap, Tahoma, and University Place."

Representatives Caldier, Couture and Reeves spoke in favor of the adoption of the amendment.

Representative Berg spoke against the adoption of the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1362) and the amendment was not adopted by the following vote: Yeas, 46; Nays, 52; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Leavitt, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Reeves, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1362) was not adopted.

The Speaker (Representative Shavers presiding) called upon Representative Timmons to preside.

Representative Couture moved the adoption of amendment (1357):

On page 10, after line 7, insert the following:

"**NEW SECTION. Sec. 9.** The superintendent of public instruction must perform a study of levy creep that analyzes the following impacts of increasing local enrichment levy authority:

(1) The risk of future litigation similar to McCleary v. State;

(2) Disproportionate impacts between property-rich and property-poor school districts;

(3) The potential for uniformity issues between school districts; and

(4) Impacts on disadvantaged students."

Representatives Couture, Walsh and Orcutt spoke in favor of the adoption of the amendment.

Representative Bergquist spoke against the adoption of the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1357) and the amendment was not adopted by the following vote: Yeas, 44; Nays, 54; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1357) was not adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

There being no objection, the House deferred action on ENGROSSED SUBSTITUTE HOUSE BILL NO. 2049, and the bill held its place on the third reading calendar.

SECOND READING

HOUSE BILL NO. 2081, by Representatives Fitzgibbon, Peterson, Pollet, Parshley, Scott, Reed, Berry and Macri

Modifying business and occupation tax surcharges, rates, and the advanced computing surcharge cap, clarifying the business and occupation tax deduction for certain investments, and creating a temporary business and occupation tax surcharge on large companies.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2081 was substituted for House Bill No. 2081 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2081 was read the second time.

With the consent of the House, amendments (1328), (1329), (1338), (1339), (1348) and (1350) were withdrawn.

Representative Couture moved the adoption of amendment (1366):

Beginning on page 1, line 15, strike all of section 1

Representatives Couture and Berg spoke in favor of the adoption of the amendment.

Amendment (1366) was adopted.

Representative Orcutt moved the adoption of amendment (1346):

On page 3, line 18, after "~~((0.471))~~" strike "0.5" and insert "0.487"

Representatives Orcutt and Orcutt (again) spoke in favor of the adoption of the amendment.

Representative Berg spoke against the adoption of the amendment.

Amendment (1346) was not adopted.

Representative Schmick moved the adoption of amendment (1327):

On page 9, line 16, after "for" strike "any" and insert ":(
(A) Any"

On page 9, line 19, after "unless:" strike "(A)" and insert "(I)"

On page 9, line 20, after "and" strike "(B)" and insert "(II)"

On page 9, line 23, after "year;" strike "((or))" and insert "or

(B) Any person who is engaged as an independent health care provider licensed under Title 18 RCW;"

Representative Schmick spoke in favor of the adoption of the amendment.

Representative Macri spoke against the adoption of the amendment.

Amendment (1327) was not adopted.

Representative Caldier moved the adoption of amendment (1331):

On page 9, line 16, after "for" strike "any" and insert ":

(A) Any"

On page 9, line 19, after "unless:" strike "(A)" and insert "(I)"

On page 9, line 20, after "and" strike "(B)" and insert "(II)"

On page 9, line 23, after "year" insert ":

(B) Any person engaged as an independent health care provider licensed under Title 18 RCW;

(C) Any health care facility associated with the delivery of outpatient health care services, including an ambulatory surgical facility, clinic, health maintenance organization, or diagnostic or treatment center;

(D) Any health care facility, other than a hospital, that provides inpatient or extended care including any facility designed to provide therapeutic, convalescent, or preventative health care services; and

(E) Any in-home services agency as defined in RCW 70.127.010"

On page 31, line 32, after "(iv)" insert "Any taxable income attributable to the provision of health care is exempt from the surcharge imposed in this section. "Health care" includes the provision of inpatient or outpatient health care services and including, but not limited to, hospitals, ambulatory surgical facilities, clinics, health care facilities that provide extended care, health care services provided by persons who are licensed providers under Title 18 RCW, and in-home services agencies as defined in RCW 70.127.010.

(v)"

Representatives Caldier, Dufault, Caldier (again), Walsh, Penner and Schmick spoke in favor of the adoption of the amendment.

Representative Macri spoke against the adoption of the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1331) and the amendment was not adopted by the following vote: Yeas, 45; Nays, 53; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walen, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Wylie, Zahn and Mme. Speaker

Amendment (1331) was not adopted.

Representative Waters moved the adoption of amendment (1333):

On page 12, line 7, after "((0.484))" strike "0.5" and insert "0.0"

Representatives Waters, Penner, Couture and Walsh spoke in favor of the adoption of the amendment.

Representative Reeves spoke against the adoption of the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1333) and the amendment was not adopted by the following vote: Yeas, 45; Nays, 53; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Nance, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Lekanoff, Macri, Mena, Morgan, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1333) was not adopted.

Representative Griffey moved the adoption of amendment (1336):

On page 12, line 30, after "((0.484))" strike "0.5" and insert "0.0"

Representatives Griffey, Couture and Orcutt spoke in favor of the adoption of the amendment.

Representative Macri spoke against the adoption of the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1336) and the amendment was not adopted by the following vote: Yeas, 45; Nays, 53; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Leavitt, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1336) was not adopted.

Representative Manjarrez moved the adoption of amendment (1334):

On page 21, line 40, after "rate of" strike "~~((0.484))~~ 0.5" and insert "0.484"

On page 30, line 40, after "rate of" strike "~~((0.484))~~ 0.5" and insert "0.484"

On page 31, after line 8, insert the following:

"NEW SECTION. Sec. 114. A new section is added to chapter 82.04 RCW to read as follows:

(1) Upon every person engaging within this state in the business of selling at retail food and food ingredients, the amount of the tax of such business is equal to the gross income of the business multiplied by 0.471 percent.

(2) Upon every person engaging within this state in the business of operating a restaurant, the amount of the tax of such business is equal to the gross income of the business multiplied by 0.471 percent.

(3) Upon every person engaging within this state in the business of wholesaling food and food ingredients, the amount of the tax of such business is equal to the gross income of the business multiplied by 0.484 percent.

(4) Upon every person engaging within this state in the business of transporting food and food ingredients, the amount of the tax of such business is equal to the gross income of the business multiplied by 0.484 percent.

(5) For the purposes of this section, "food and food ingredients" has the same meaning as in RCW 82.08.0293."

Correct the title.

On page 42, line 9, after "108" strike "and" and insert " , "

On page 42, line 10, after "112" insert "and 114"

Representatives Manjarrez, Caldier, Dufault, Waters, Manjarrez (again), Orcutt and Couture spoke in favor of the adoption of the amendment.

Representative Berg spoke against the adoption of the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1334) and the amendment was not adopted by the following vote: Yeas, 46; Nays, 52; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Reeves, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walen, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Leavitt, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Wylie, Zahn and Mme. Speaker

Amendment (1334) was not adopted.

Representative Connors moved the adoption of amendment (1332):

On page 31, after line 8, insert the following:

"NEW SECTION. Sec. 114. A new section is added to chapter 82.04 RCW to read as follows:

(1) Upon every person engaging within this state in the business of making sales at retail of construction materials to be used in the construction or renovation of single or multifamily housing, as to such persons, the amount of the tax of such business is equal to the gross income of the business multiplied by 0.471 percent.

(2) Upon every person engaging within this state in the business of making sales at wholesale of construction materials to be used in the construction or renovation of single or multifamily housing, as to such persons, the amount of the tax of such business is equal to the gross income of the business multiplied by 0.484 percent.

(3) Upon every person engaging within this state in the business of transporting construction materials, the amount of the tax of such business is equal to the gross income of the business multiplied by 0.484 percent.

(4) Upon every person engaging within this state in the business of manufacturing construction materials to be used in the construction or renovation of single or multifamily housing, the amount of the tax of such business is equal to the gross income of the business multiplied by 0.484 percent.

(5) Upon every person engaging within this state in the business of providing home construction services, except persons taxable under other provisions of this chapter, as to such persons, the amount of the tax with respect to such business is equal to the gross income of the business multiplied by the rate of:

(a) 1.75 percent; or
 (b) 1.5 percent for any person whose gross income of the business subject to the tax imposed under this subsection (5), for the immediately preceding calendar year, was less than \$1,000,000 unless: (i) The person is affiliated with one or more persons; and (ii) the aggregate gross income of the business subject to the tax imposed under this subsection (5) for all affiliated persons was greater than or equal to \$1,000,000 for the immediately preceding year.

(6) For the purposes of this section, the following definitions apply:

(a) "Affiliate" has the same meaning as in RCW 82.04.290.

(b) "Construction materials" means the materials and supplies to be incorporated into a structure or building. This includes, but is not limited to, appliances, fixtures, flooring, windows, piping, cement, steel, and drywall. This also includes lumber and timber products not subject to the tax rate in RCW 82.04.260(12).

(c) "Home construction services" means the labor and services needed to assemble, construct, or repair a single or multifamily dwelling. This includes, but is not limited to, construction management, architecture services, engineering services, plumbing services, electrical services, and drywalling."

Correct the title.

On page 31, line 32, after "(iv)" insert "Any Washington taxable income attributable to the construction of single and multifamily housing that is subject to the tax rates in section 114 of this act is exempt from the surcharge imposed in this section."

(v)"

Correct any internal references accordingly.

Representatives Connors, Dufault, Walsh and Couture spoke in favor of the adoption of the amendment.

Representative Berg spoke against the adoption of the amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1332) and the amendment was not adopted by the following vote: Yeas, 45; Nays, 53; Absent, 0; Excused, 0

Voting Yea: Representatives Abbarno, Abell, Barkis, Barnard, Burnett, Caldier, Chase, Connors, Corry, Couture, Dent, Dufault, Dye, Engell, Eslick, Graham, Griffey, Jacobsen, Keaton, Klicker, Leavitt, Ley, Low, Manjarrez, Marshall, McClintock, McEntire, Mendoza, Orcutt, Paul, Penner, Richards, Rude, Rule, Schmick, Schmidt, Shavers, Steele, Stokesbary, Stuebe, Timmons, Volz, Walsh, Waters and Ybarra

Voting Nay: Representatives Berg, Bergquist, Bernbaum, Berry, Bronoske, Callan, Cortes, Davis, Doglio, Donaghy, Duerr, Entenman, Farivar, Fey, Fitzgibbon, Fosse, Goodman, Gregerson, Hackney, Hill, Hunt, Kloba, Lekanoff, Macri, Mena, Morgan, Nance, Obras, Ormsby, Ortiz-Self, Parshley, Peterson, Pollet, Ramel, Reed, Reeves, Ryu, Salahuddin, Santos, Scott, Simmons, Springer, Stearns, Stonier, Street, Taylor, Thai, Tharinger, Thomas, Walen, Wylie, Zahn and Mme. Speaker

Amendment (1332) was not adopted.

Representative Penner moved the adoption of amendment (1337):

On page 31, after line 8, insert the following:

"NEW SECTION. Sec. 114. A new section is added to chapter 82.04 RCW to read as follows:

(1) Beginning January 1, 2026, a person is allowed a credit against the tax imposed in this chapter equal to 100 percent of the costs related to providing child care assistance to employees.

(2) The credit claimed may not exceed the tax that would otherwise be due under this chapter. Refunds may not be granted in place of credits. Any amount of credit earned under this section not claimed by the taxpayer in one calendar year may be carried forward for no more than one calendar year immediately following the year that the credit was earned.

(3) The department must administer the credit. To claim a credit under this section, the person applying must complete an application for credit based on qualifying expenditures incurred by the eligible person the previous calendar year. The department must rule on applications within 60 days of receipt. The department may extend the time of processing an application upon notice to the person and by providing the person an explanation of why the application processing cannot be completed on time.

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

(5) For purposes of this section, "child care assistance" means:

(a) The portion of an employee's salary or wage that is provided by the employer to the employee to be used to offset the employee's expenses related to child care, including tuition; and

(b) Expenses related to the costs for the employer to provide in-house child care for employees.

(6) Credits may be earned under this section until January 1, 2037.

(7) This section expires January 1, 2038."

Correct the title.

POINT OF ORDER

Representative Stonier requested a scope and object ruling on amendment (1337) to ENGROSSED SUBSTITUTE HOUSE BILL NO. 2081.

SPEAKER'S RULING

"The title of Substitute House Bill 2081 is narrow and specific—an act relating to funding public schools, including higher education, health care, social services, and other programs and services to benefit Washingtonians by modifying business and occupation tax surcharges, rates, and the advanced computing surcharge cap, clarifying the business and occupation tax deduction for certain investments, and creating a temporary business and occupation tax surcharge on large companies with annual revenues with more than \$250,000,000.

Amendment (1337) creates a new business and occupation tax credit for businesses that provide child care assistance to employees. The amendment relates to tax credits, a subject not addressed in the underlying bill. The Speaker therefore finds and rules the amendment is outside the scope of the bill as defined by its title.

The point of order is well taken."

Representative Schmidt moved the adoption of amendment (1341):

On page 31, after line 8, insert the following:

"**Sec. 114.** RCW 82.04.4451 and 2022 c 295 s 1 are each amended to read as follows:

(1) In computing the tax imposed under this chapter, a credit is allowed against the amount of tax otherwise due under this chapter, as provided in this section. Except for taxpayers that report at least 50 percent of their taxable amount under RCW 82.04.255, 82.04.290(2)(a), and 82.04.285, the maximum credit for a taxpayer for a reporting period is ~~((\$55))~~\$150 multiplied by the number of months in the reporting period, as determined under RCW 82.32.045. For a taxpayer that reports at least 50 percent of its taxable amount under RCW 82.04.255, 82.04.290(2)(a), and 82.04.285, the maximum credit for a reporting period is ~~((\$160))~~\$450 multiplied by the number of months in the reporting period, as determined under RCW 82.32.045.

(2) When the amount of tax otherwise due under this chapter is equal to or less than the maximum credit, a credit is allowed equal to the amount of tax otherwise due under this chapter.

(3) When the amount of tax otherwise due under this chapter exceeds the maximum credit, a reduced credit is allowed equal to twice the maximum credit, minus the tax otherwise due under this chapter, but not less than zero.

(4) The department may prepare a tax credit table consisting of tax ranges using increments of no more than ~~((five dollars))~~ \$25 and a corresponding tax credit to be applied to those tax ranges. The table shall be prepared in such a manner that no taxpayer will owe a greater amount of tax by using the table than would be owed by performing the calculation under subsections (1) through (3) of this section. A table prepared by the department under this subsection must be used by all taxpayers in taking the credit provided in this section."

Correct the title.

On page 42, line 9, after "108" strike "and" and insert ",,"

On page 42, line 10, after "112" insert ", and 114"

POINT OF ORDER

Representative Stonier requested a scope and object ruling on amendment (1341) to ENGROSSED SUBSTITUTE HOUSE BILL NO. 2081.

SPEAKER'S RULING

"The title of Substitute House Bill 2081 is narrow and specific—an act relating to funding public schools, including higher education, health care, social services, and other programs and services to benefit Washingtonians by modifying business and occupation tax surcharges, rates, and the advanced computing surcharge cap, clarifying the business and occupation tax deduction for certain investments, and creating a temporary business and occupation tax surcharge on large companies with annual revenues with more than \$250,000,000.

Amendment (1341) modifies monthly tax credit amounts available to all business and occupation taxpayers. The amendment relates to monthly tax credit amounts, a subject not addressed in the underlying bill. The Speaker therefore finds and rules the amendment is outside the scope of the bill as defined by its title.

The point of order is well taken."

Representative Abell moved the adoption of amendment (1342):

On page 31, after line 8, insert the following:

"**Sec. 114.** RCW 82.32.045 and 2023 c 374 s 12 are each amended to read as follows:

(1) Except as otherwise provided in this chapter and subsection (6) of this section, payments of the taxes imposed under chapters 82.04, 82.08, 82.12, 82.14, 82.16, and 82.27 RCW, along with reports and returns on forms prescribed by the department, are due monthly within 25 days after the end of the month in which the taxable activities occur.

(2) The department of revenue may relieve any taxpayer or class of taxpayers from the obligation of remitting monthly and may require the return to cover other longer reporting periods, but in no event may returns be filed for a period greater than one year. Except as provided in subsection (3) of this section, for these taxpayers, tax payments are due on or before the last day of the month next succeeding the end of the period covered by the return.

(3) For annual filers, tax payments, along with reports and returns on forms prescribed by the department, are due on or before April 15th of the year immediately following the end of the period covered by the return.

(4) The department of revenue may also require verified annual returns from any taxpayer, setting forth such additional information as it may deem necessary to correctly determine tax liability.

(5) Notwithstanding subsections (1) and (2) of this section, the department may relieve any person of the requirement to file returns if the following conditions are met:

(a) The person's value of products, gross proceeds of sales, or gross income of the business, from all business activities taxable under chapter 82.04 RCW, is less than ~~(((\$125,000))\$150,000~~ per year;

(b) The person's gross income of the business from all activities taxable under chapter 82.16 RCW is less than \$24,000 per year; and

(c) The person is not required to collect or pay to the department of revenue any other tax or fee which the department is authorized to collect.

(6)(a) Taxes imposed under chapter 82.08 or 82.12 RCW on taxable events that occur beginning January 1, 2019, through June 30, 2019, and payable by a consumer directly to the department are due, on returns prescribed by the department, by July 25, 2019.

(b) This subsection (6) does not apply to the reporting and payment of taxes imposed under chapters 82.08 and 82.12 RCW:

(i) On the retail sale or use of motor vehicles, vessels, or aircraft; or

(ii) By consumers who are engaged in business, unless the department has relieved the consumer of the requirement to file returns pursuant to subsection (5) of this section."

Correct the title.

On page 42, line 15, after "Sections" insert "114,"

POINT OF ORDER

Representative Stonier requested a scope and object ruling on amendment (1342) to ENGROSSED SUBSTITUTE HOUSE BILL NO. 2081.

SPEAKER'S RULING

"The title of Substitute House Bill 2081 is narrow and specific—an act relating to funding public schools, including higher education, health care, social services, and other programs and services to benefit Washingtonians by modifying business and occupation tax surcharges, rates, and the advanced computing surcharge cap, clarifying the business and occupation tax deduction for certain investments, and creating a temporary business and occupation tax surcharge on large companies with annual revenues with more than \$250,000,000.

Amendment (1342) increases the filing threshold for the business and occupation tax from \$125,000 per year to \$150,000 per year. The amendment relates to the filing threshold for all business and occupation taxpayers, a subject not addressed in the underlying bill. The Speaker therefore finds and rules the amendment is outside the scope of the bill as defined by its title.

The point of order is well taken."

Representative Orcutt moved the adoption of amendment (1343):

On page 31, after line 8, insert the following:

"NEW SECTION. Sec. 114. A new section is added to chapter 82.32 RCW to read as follows:

The department must engage its business advisory council as well as a group of stakeholder taxpayers to recommend statutory and administrative changes to simplify tax

compliance for taxpayers. The recommendations should include ways to simplify online filing, the development of guidance materials to ease taxpayer compliance in reporting business activities accurately, and enhance the accessibility of information."

Correct the title.

On page 42, line 15, after "Sections" insert "114,"

Representatives Orcutt and Berg spoke in favor of the adoption of the amendment.

Amendment (1343) was adopted.

Representative Barnard moved the adoption of amendment (1344):

On page 31, after line 8, insert the following:

"NEW SECTION. Sec. 114. RCW 82.04.4451 (Credit against tax due—Maximum credit—Table) and 2022 c 295 s 1, 2010 1st sp.s. c 23 s 1102, 1997 c 238 s 2, & 1994 sp.s. c 2 s 1 are each repealed.

NEW SECTION. Sec. 115. A new section is added to chapter 82.04 RCW to read as follows:

(1) In computing the tax under this chapter, a credit is allowed for taxpayers with annual gross receipts under \$2,500,000 against the amount of the tax otherwise due under this chapter, as provided in this section. The credit is equal to \$250,000.

(2) The credit for each calendar year may not exceed the amount of tax otherwise due for the calendar year. Refunds may not be granted in place of the credit.

(3) The credit must be claimed against taxes due for the same calendar year and may not be carried over."

Correct the title.

On page 42, line 15, after "Sections" insert "114, 115,"

POINT OF ORDER

Representative Fosse requested a scope and object ruling on amendment (1344) to ENGROSSED SUBSTITUTE HOUSE BILL NO. 2081.

SPEAKER'S RULING

"The title of Substitute House Bill 2081 is narrow and specific—an act relating to funding public schools, including higher education, health care, social services, and other programs and services to benefit Washingtonians by modifying business and occupation tax surcharges, rates, and the advanced computing surcharge cap, clarifying the business and occupation tax deduction for certain investments, and creating a temporary business and occupation tax surcharge on large companies with annual revenues with more than \$250,000,000.

Amendment (1344) repeals the current business and occupation tax credit for small businesses and replaces it with a flat \$250,000 credit for businesses with annual gross receipts under \$2.5 million. The amendment relates to tax credits, a subject not

addressed in the underlying bill. The Speaker therefore finds and rules the amendment is outside the scope of the bill as defined by its title.

The point of order is well taken.”

Representative Dent moved the adoption of amendment (1349):

On page 31, line 25, after "manufactured" strike "by a person" and insert "or products that include food and food ingredients, as defined in RCW 82.08.0293, manufactured by a person or an affiliate of such person"

On page 31, line 28, after "sales" insert "and wholesaling of products"

Representative Dent spoke in favor of the adoption of the amendment.

There being no objection, the House deferred action on SUBSTITUTE HOUSE BILL NO. 2081, and the bill held its place on the second reading calendar.

There being no objection, the House adjourned until 12:01 a.m., Tuesday, April 22, 2025, the 100th Day of the 2025 Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

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