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## THIRTY SEVENTH DAY

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House Chamber, Olympia, Tuesday, February 16, 2010

The House was called to order at 9:00 a.m. by the Speaker (Representative Moeller presiding). 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 Melissa Shoop and Andrew Miller. The Speaker (Representative Moeller presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Reverend Greg Rickel, Bishop of Olympia, Episcopal Church in Western Washington.

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

The Speaker (Representative Moeller presiding) called upon Representative Morris to preside.

### MESSAGES FROM THE SENATE

February 15, 2010

Mr. Speaker:

The Senate has passed:

ENGROSSED SUBSTITUTE SENATE BILL 5543  
ENGROSSED SUBSTITUTE SENATE BILL 6241  
ENGROSSED SUBSTITUTE SENATE BILL 6244  
SUBSTITUTE SENATE BILL 6280  
SENATE BILL 6297  
SUBSTITUTE SENATE BILL 6298  
SUBSTITUTE SENATE BILL 6332  
SUBSTITUTE SENATE BILL 6338  
SUBSTITUTE SENATE BILL 6343  
SUBSTITUTE SENATE BILL 6367  
ENGROSSED SENATE BILL 6430  
SUBSTITUTE SENATE BILL 6459  
SENATE BILL 6467  
SENATE BILL 6481  
ENGROSSED SUBSTITUTE SENATE BILL 6656  
ENGROSSED SUBSTITUTE SENATE BILL 6733  
SUBSTITUTE SENATE BILL 6759  
ENGROSSED SUBSTITUTE SENATE BILL 6778  
SUBSTITUTE SENATE BILL 6788

and the same are herewith transmitted.

Thomas Hoemann, Secretary

February 15, 2010

Mr. Speaker:

The Senate has passed:

SUBSTITUTE SENATE BILL 5046  
SUBSTITUTE SENATE BILL 6202  
ENGROSSED SENATE BILL 6287  
ENGROSSED SUBSTITUTE SENATE BILL 6359  
SUBSTITUTE SENATE BILL 6433  
SECOND ENGROSSED SUBSTITUTE SENATE BILL 6508  
SUBSTITUTE SENATE BILL 6521

SENATE BILL 6546  
SUBSTITUTE SENATE BILL 6556  
SECOND SUBSTITUTE SENATE BILL 6575  
SUBSTITUTE SENATE BILL 6639  
SUBSTITUTE SENATE BILL 6686  
SUBSTITUTE SENATE BILL 6698  
SUBSTITUTE SENATE BILL 6727  
SUBSTITUTE SENATE BILL 6816

and the same are herewith transmitted.

Thomas Hoemann, Secretary

February 15, 2010

Mr. Speaker:

The Senate has passed:

ENGROSSED SUBSTITUTE SENATE BILL 6051  
ENGROSSED SENATE BILL 6462  
ENGROSSED SECOND SUBSTITUTE SENATE BILL 6579  
ENGROSSED SUBSTITUTE SENATE BILL 6621  
ENGROSSED SUBSTITUTE SENATE BILL 6724  
ENGROSSED SENATE BILL 6754

and the same are herewith transmitted.

Thomas Hoemann, Secretary

February 15, 2010

Mr. Speaker:

The Senate has passed:

ENGROSSED SUBSTITUTE SENATE BILL 6424  
ENGROSSED SUBSTITUTE SENATE BILL 6449  
ENGROSSED SECOND SUBSTITUTE SENATE BILL 6562  
ENGROSSED SUBSTITUTE SENATE BILL 6726  
ENGROSSED SUBSTITUTE SENATE BILL 6737

and the same are herewith transmitted.

Thomas Hoemann, Secretary

### INTRODUCTIONS AND FIRST READING

HB 3189 by Representatives Alexander, Linville, Dammeier, Ericks, Seaquist, Haler, Hunter, Warnick, Quall, Angel, Clibborn, Ross and Hinkle

AN ACT Relating to alcohol sales in state liquor stores and contract liquor stores; amending RCW 66.08.050; adding a new section to chapter 66.08 RCW; and creating new sections.

Referred to Committee on Ways & Means.

There being no objection, the bill listed on the day's introduction sheet under the fourth order of business was referred to the committee so designated.

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

## SECOND READING

**BILL NO. 2912, by Representatives Quall, Carlyle, O'Brien, Ericks, Dunshee, Sullivan, Blake, Jacks, Hunter and Maxwell**

**Modifying local excise taxes in counties that have pledged lodging tax revenues for the payment of bonds prior to June 26, 1975.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 2912 was substituted for House Bill No. 2912 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2912 was read the second time.

With the consent of the House, amendments (1222) and (1110) were withdrawn.

Representative Orwall moved the adoption of amendment (1206).

On page 5, line 1, after "affordable" insert "workforce"

On page 6, line 3, after "located." insert "These funds may only be used to fund the portions of affordable workforce housing projects that are to be occupied by households earning less than eighty percent of area median income. These funds may be used as a subsidy under the Washington works housing program created in RCW 43.180.160(2)(a) (section 2, Chapter ... (HB 2753), Laws of 2010)."

Representatives Orwall and Orcutt spoke in favor of the adoption of the amendment.

Amendment (1206) was adopted.

Representative Quall moved the adoption of amendment (1187).

On page 6, line 5, after "under" strike "section 8 of this act" and insert "subsection (5) of this section"

On page 7, line 26, after "in" strike "section 8 of this act" and insert "subsection (5) of this section"

On page 7, after line 30, insert the following:

"(5)(a) Except as provided in subsection (2) of this section, money deposited in a special purposes account under this section may be used only for one or more of the following purposes within the county:

(i) Funding nonprofit organizations providing public health services;

(ii) Funding nonprofit organizations providing human service programs;

(iii) Funding tourism promotion as defined in RCW 67.28.080;

(iv) Funding youth or amateur sports activities or facilities;

(v) Funding regional centers;

(vi) Funding performing arts centers; or

(vii) Funding community preservation and development authorities created in chapter 43.167 RCW.

(b) Beginning in calendar year 2012, an amount equal to one dollar for each admission to any commercial event at a stadium developed by a public facilities district under chapter 36.100 RCW or a stadium and exhibition center developed by a public stadium authority under chapter 36.102 RCW, shall be deposited into the

community preservation and development authority account created in RCW 43.167.040.

(c) Between January 1, 2012, and January 1, 2021, eight million four hundred thousand dollars must be transferred annually to the affordable workforce housing account described in subsection (3)(d)(ii) of this section."

On page 8, line 17, after "under" strike "section 8 of this act" and insert "RCW 67.28.180(5)"

On page 9, beginning on line 10, after "under" strike "section 8 of this act" and insert "RCW 67.28.180(5)"

On page 10, line 11, after "under" strike "section 8 of this act" and insert "RCW 67.28.180(5)"

On page 11, line 35, after "under" strike "section 8 of this act" and insert "RCW 67.28.180(5)"

On page 15, beginning on line 1, strike all of section 8

Renumber the remaining section consecutively, correct any internal references accordingly, and correct the title.

Representative Quall spoke in favor of the adoption of the amendment.

Amendment (1187) was adopted.

Representative Orcutt moved the adoption of amendment (1109).

Beginning on page 7, line 31, strike all of section 2

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

Beginning on page 9, line 21, strike all of section 4

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

Representatives Orcutt and Pedersen spoke in favor of the adoption of the amendment.

Representative Carlyle spoke against the adoption of the amendment.

Amendment (1109) was adopted.

Representative Orcutt moved the adoption of amendment (1182).

On page 9, after line 20, insert the following:

"After the debt on the stadium under RCW 67.28.180(2)(b)(ii) is fully retired in a county of one million five hundred thousand or more, the tax does not apply to a car rented as a service or repair replacement vehicle."

On page 11 line 5, after "use tax." insert "After the bonds issued for the construction of the baseball stadium are retired, the tax does not apply to a car rented as a service or repair replacement vehicle."

Representative Orcutt spoke in favor of the adoption of the amendment.

Representative Hunter spoke against the adoption of the amendment.

An electronic roll call was requested

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (1182) to Engrossed Substitute House Bill No. 2912.

**ROLL CALL**

The Clerk called the roll on the adoption of amendment (1182) to Engrossed Substitute House Bill No. 2912 and the amendment was not adopted by the following vote: Yeas, 41; Nays, 57; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Ericksen, Fagan, Goodman, Haler, Herrera, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Morris, Nealey, Orcutt, Parker, Pearson, Probst, Roach, Ross, Schmick, Shea, Short, Smith, Taylor, Wallace and Walsh.

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Finn, Flannigan, Green, Haigh, Hasegawa, Hinkle, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Liias, Linville, Maxwell, McCoy, Moeller, Morrell, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Seaquist, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, Warnick, White, Williams, Wood and Mr. Speaker.

Amendment (1182) was not adopted.

Representative Chase moved the adoption of amendment (1236).

On page 15, after line 25, insert the following:

"(4) Money deposited in a special purposes account under this section may not be used for the construction, repair, or improvement of a stadium used primarily by or for the purposes of a state university."

Representatives Chase and Orcutt spoke in favor of the adoption of the amendment.

Amendment (1236) was 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.

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

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2912.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2912, and the bill passed the House by the following vote: Yeas, 53; Nays, 45; Absent, 0; Excused, 0.

Voting yea: Representatives Anderson, Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Finn, Flannigan, Goodman, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Linville, Maxwell, McCoy, Miloscia, Moeller, Morrell, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Priest, Quall, Roberts, Rodne, Rolfes, Santos, Seaquist, Sells, Simpson, Springer,

Sullivan, Takko, Upthegrove, White, Williams, Wood and Mr. Speaker.

Voting nay: Representatives Alexander, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Eddy, Ericks, Ericksen, Fagan, Green, Haler, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, Liias, McCune, Morris, Nealey, Orcutt, Parker, Pearson, Probst, Roach, Ross, Schmick, Shea, Short, Smith, Taylor, Van De Wege, Wallace, Walsh and Warnick.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2912, having received the necessary constitutional majority, was declared passed.

**STATEMENT FOR THE JOURNAL**

I intended to vote YEA on Engrossed Substitute House Bill No. 2912.

Mark Ericks, 1st District

**SECOND READING****HOUSE BILL NO. 2925, by Representatives Kretz, Short and Condotta****Concerning impact payments of a municipally owned hydroelectric facility.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 2925 was substituted for House Bill No. 2925 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2925 was read the second time.

Representative Ericks moved the adoption of amendment (1238).

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 35.21.420 and 1965 c 7 s 35.21.420 are each amended to read as follows:

(1) Any city owning and operating a public utility and having facilities for the generation of electricity located in a county other than that in which the city is located, may provide for the public peace, health, safety and welfare of such county as concerns the facilities and the personnel employed in connection therewith, by contributing to the support of the county government of any such county and enter into contracts with any such county therefor.

(2)(a) Any city with a population greater than five hundred thousand people owning and operating a public utility and having facilities for the generation of electricity located in a county other than that in which the city is located, must provide for the impacts of lost revenue and the public peace, health, safety, and welfare of such county as concerns the facilities and the personnel employed in connection therewith, by contributing to the support of the county, city, or town government and school district of any such county and enter into contracts with any such county therefore as specified in RCW 35.21.425.

(b)(i) In the event the contract between a county and the governing body of a city with a population greater than five hundred thousand people authorized or required under this section expires prior to the adoption of a new contract between the parties, the city must continue to make compensatory payments to the

affected county pursuant to the terms of the most recent expired contract until such time as a new contract is entered into by the parties.

(ii) In the event a contract entered into under subsection (1) of this section between a county and the governing body of a city with a population greater than five hundred thousand people expired prior to the effective date of this act, the city shall be indebted to the county for any resulting arrearage accruing from the time of the expiration of the contract until such time as a new contract is entered into by the parties. The dollar amount of such arrearage shall be calculated retroactively by reference to the payment terms set forth in the most recent expired compensation contract between the city and the county.

(c) In the event the contract between a county and any city with a population greater than five hundred thousand people owning and operating a public utility and having facilities for the generation of electricity located in a county other than that in which the city is located expires and the parties are unable to reach agreement within six months of such expiration, then the parties shall follow the arbitration procedures as provided in RCW 35.21.426. The city and/or the municipal utility shall be responsible for all arbitration costs.

**Sec. 2.** RCW 35.21.425 and 1965 c 7 s 35.21.425 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, whenever after March 17, 1955, any city shall construct hydroelectric generating facilities or acquire land for the purpose of constructing the same in a county other than the county in which such city is located, and by reason of such construction or acquisition shall (1) cause loss of revenue and/or place a financial burden in providing for the public peace, health, safety, welfare, and added road maintenance in such county, in addition to road construction or relocation as set forth in RCW 90.28.010 and/or (2) shall cause any loss of revenues and/or increase the financial burden of any school district affected by the construction because of an increase in the number of pupils by reason of the construction or the operation of said generating facilities, the city shall enter into an agreement with said county and/or the particular school district or districts affected for the payment of moneys to recompense such losses or to provide for such increased financial burden, upon such terms and conditions as may be mutually agreeable to the city and the county and/or school district or districts.

(2)(a) Whenever after March 17, 1955, a municipal owned utility located in a city with a population greater than five hundred thousand people constructs or operates hydroelectric generating facilities or acquires land for the purpose of constructing or operating the same in a county other than the county in which the city is located must enter into an agreement with the county affected for the annual payment of moneys to recompense such losses, as provided under RCW 35.21.425.

(b)(i) In the event the agreement between a county and the governing body of either a city with a population greater than five hundred thousand people or a municipal utility owned by a city with a population greater than five hundred thousand people, as required under this section, expires prior to the adoption of a new agreement between the parties, the city or utility must continue to make compensatory payments to the affected county pursuant to the terms of the most recent expired agreement until such time as a new agreement is entered into by the parties.

(ii) In the event an agreement entered into under subsection (1) of this section between a county and the governing body of a city with a population greater than five hundred thousand people expired prior to the effective date of this act, the city shall be indebted to the county for any resulting arrearage accruing from the time of the expiration of the agreement until such time as a new

agreement is entered into by the parties. The dollar amount of such arrearage shall be calculated retroactively by reference to the payment terms set forth in the most recent expired compensation agreement between the city and the county.

(c) In the event the agreement required between a county and the governing body of either a city with a population greater than five hundred thousand people or a municipal utility owned by a city with a population greater than five hundred thousand people expires, or has expired prior to the effective date of this act, and the parties are unable to reach agreement within six months of such expiration, then the parties shall follow the arbitration procedures as provided in RCW 35.21.426. The city and/or the municipal utility shall be responsible for all arbitration costs.

**NEW SECTION. Sec. 3.** 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."

Representatives Ericks and Kretz spoke in favor of the adoption of the amendment.

Amendment (1238) was 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.

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

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2925.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2925, and the bill passed the House by the following vote: Yeas, 93; Nays, 5; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Erickson, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

Voting nay: Representatives Cody, Hudgins, Lias, Nelson and Van De Wege.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2925, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 3179, by Representatives Springer and Ericks**

**Revising local excise tax provisions for counties and cities.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 3179 was substituted for House Bill No. 3179 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3179 was read the second time.

With the consent of the House, amendments (1201) and (1203) were withdrawn.

Representative Warnick moved the adoption of amendment (1204).

On page 7, line 33, after "RCW." insert "'Utility" does not mean an irrigation district formed under Title 87 RCW or other irrigation entities that deliver agricultural water supplies."

Representative Warnick spoke in favor of the adoption of the amendment.

Representative Hunter spoke against the adoption of the amendment.

Amendment (1204) was not adopted.

Representative Springer moved the adoption of amendment (1194).

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 82.14.450 and 2009 c 551 s 1 are each amended to read as follows:

(1) A county legislative authority may submit an authorizing proposition to the county voters at a primary or general election and, if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. ~~((Funds raised under this tax shall not supplant existing funds used for these purposes, except as follows: Up to one hundred percent may be used to supplant existing funding in calendar year 2010; up to eighty percent may be used to supplant existing funding in calendar year 2011; up to sixty percent may be used to supplant existing funding in calendar year 2012; up to forty percent may be used to supplant existing funding in calendar year 2013; and up to twenty percent may be used to supplant existing funding in calendar year 2014. For purposes of this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is approved by voters. Actual operating expenditures excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the county or city receiving the services, and major nonrecurring capital expenditures.))~~ The rate of tax under this section may not exceed three-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(2)(a) A city legislative authority may submit an authorizing proposition to the city voters at a primary or general election and, if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. The rate of tax

under this subsection may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax. A city may not begin imposing a tax approved by the voters under this subsection prior to January 1, 2011.

(b) If a county adopts an ordinance or resolution to submit a ballot proposition to the voters to impose the sales and use tax under subsection (1) of this section prior to a city within the county adopting an ordinance or resolution to submit a ballot proposition to the voters to impose the tax under this subsection, the rate of tax by the city under this subsection may not exceed an amount that would cause the total county and city tax rate under this section to exceed three-tenths of one percent. This subsection (2)(b) also applies if the county and city adopt an ordinance or resolution to impose sales and use taxes under this section on the same date.

(c) If the city adopts an ordinance or resolution to impose the sales and use tax under this subsection prior to the county in which the city is located, the county must provide a credit against its tax under subsection (1) of this section for the city tax under this subsection to the extent the total county and city tax rate under this section would exceed three-tenths of one percent.

(3) The tax authorized in this section is in addition to any 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 county.

~~((3))~~ (4) The retail sale or use of motor vehicles, and the lease of motor vehicles for up to the first thirty-six months of the lease, are exempt from tax imposed under this section.

~~((4))~~ (5) One-third of all money received under this section must be used solely for criminal justice purposes, fire protection purposes, or both. For the purposes of this subsection, "criminal justice purposes" has the same meaning as provided in RCW 82.14.340.

~~((5))~~ (6) Money received by a county under subsection (1) of this section must be shared between the county and the cities as follows: Sixty percent must be retained by the county and forty percent must be distributed on a per capita basis to cities in the county.

(7) Tax proceeds received by a city imposing a tax under this section must be shared between the county and city as follows: Fifteen percent must be distributed to the county and eighty-five percent is retained by the city.

**Sec. 2.** RCW 82.14.460 and 2009 c 551 s 2 are each amended to read as follows:

(1) (a) Except as provided in (b) of this subsection, a county legislative authority may authorize, fix, and impose a sales and use tax in accordance with the terms of this chapter.

(b) Any city with a population over two hundred thousand and located in a county with a population over eight hundred thousand may authorize, fix, and impose the sales and use tax in lieu of the county if the county has not imposed the tax authorized under (a) of this subsection by January 1, 2011. If a city imposes the tax under this subsection (1)(b) the county within which the city is located may not impose the tax authorized under (a) of this subsection.

(2) The tax authorized in this section ~~((shall be))~~ is in addition to any other taxes authorized by law and ~~((shall))~~ 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 county. The rate of tax ~~((shall))~~ equals one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(3) Moneys collected under this section ~~((shall))~~ must be used solely for the purpose of providing for the operation or delivery of chemical dependency or mental health treatment programs and services and for the operation or delivery of therapeutic court

programs and services. For the purposes of this section, "programs and services" includes, but is not limited to, treatment services, case management, and housing that are a component of a coordinated chemical dependency or mental health treatment program or service.

(4) All moneys collected under this section must be used solely for the purpose of providing new or expanded programs and services as provided in this section, except a portion of moneys collected under this section may be used to supplant existing funding for these purposes in any county as follows: Up to fifty percent may be used to supplant existing funding in calendar year 2010; up to forty percent may be used to supplant existing funding in calendar year 2011; up to thirty percent may be used to supplant existing funding in calendar year 2012; up to twenty percent may be used to supplant existing funding in calendar year 2013; and up to ten percent may be used to supplant existing funding in calendar year 2014.

(5) Nothing in this section may be interpreted to prohibit the use of moneys collected under this section for the replacement of lapsed federal funding previously provided for the operation or delivery of services and programs as provided in this section.

**Sec. 3.** RCW 82.14.340 and 1995 c 309 s 1 are each amended to read as follows:

The legislative authority of any county may fix and impose a sales and use tax in accordance with the terms of this chapter, provided that such sales and use tax is subject to repeal by referendum, using the procedures provided in RCW 82.14.036. The referendum procedure provided in RCW 82.14.036 is the exclusive method for subjecting any county sales and use tax ordinance or resolution to a referendum vote.

The tax authorized in this section shall be in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state pursuant to chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within such county. The rate of tax shall equal one-tenth of one percent of the selling price (in the case of a sales tax) or value of the article used (in the case of a use tax).

When distributing moneys collected under this section, the state treasurer shall distribute ten percent of the moneys to the county in which the tax was collected. The remainder of the moneys collected under this section shall be distributed to the county and the cities within the county ratably based on population as last determined by the office of financial management. In making the distribution based on population, the county shall receive that proportion that the unincorporated population of the county bears to the total population of the county and each city shall receive that proportion that the city incorporated population bears to the total county population.

Moneys received from any tax imposed under this section shall be expended ~~((exclusively))~~ for criminal justice purposes ~~((and shall not be used to replace or supplant existing funding))~~. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice system occurs, and which include ~~((s))~~ human services, domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020. ~~((Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.))~~

In the expenditure of funds for criminal justice purposes as provided in this section, cities and counties, or any combination thereof, are expressly authorized to participate in agreements, pursuant to chapter 39.34 RCW, to jointly expend funds for criminal justice purposes of mutual benefit. Such criminal justice purposes of mutual benefit include, but are not limited to, the construction, improvement, and expansion of jails, court facilities, ~~((and))~~ juvenile justice facilities, and services with ancillary benefits to the civil justice system.

**Sec. 4.** RCW 82.46.035 and 2009 c 211 s 1 are each amended to read as follows:

(1) The legislative authority of any county or city ~~((shall))~~ must identify in the adopted budget the capital projects and park maintenance and operation expenditures, or both, funded in whole or in part from the proceeds of the tax authorized in this section ~~((; and shall indicate that such tax is intended to be in addition to other funds that may be reasonably available for such capital projects))~~.

(2) The legislative authority of any county or any city that plans under RCW 36.70A.040(1) may impose an additional excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. Any county choosing to plan under RCW 36.70A.040(2) and any city within such a county may only adopt an ordinance imposing the excise tax authorized by this section if the ordinance is first authorized by a proposition approved by a majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election within the taxing district called by the district for the purpose of submitting such proposition to the voters.

(3) Revenues generated from the tax imposed under subsection (2) of this section ~~((shall))~~ must be used by such counties and cities ((solely)) for financing capital projects specified in a capital facilities plan element of a comprehensive plan and, until January 1, 2015, park maintenance and operation expenditures. A county or city using a portion of revenues from the tax for park maintenance and operation expenditures may not use revenues to finance park facilities. However, revenues (a) pledged by such counties and cities to debt retirement prior to March 1, 1992, may continue to be used for that purpose until the original debt for which the revenues were pledged is retired, or (b) committed prior to March 1, 1992, by such counties or cities to a project may continue to be used for that purpose until the project is completed.

(4) Revenues generated by the tax imposed by this section ~~((shall))~~ must be deposited in a separate account.

(5) As used in this section: (a) "City" means any city or town; (b) "capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, municipally owned heavy rail short line railroads, domestic water systems, storm and sanitary sewer systems, ~~((and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks))~~ parks, recreational facilities, law enforcement facilities, fire protection facilities, trails, libraries, administrative and/or judicial facilities, and river and water flood control facilities; and (c) "short line railroads" means class III railroads as defined by the United States surface transportation board.

(6) When the governor files a notice of noncompliance under RCW 36.70A.340 with the secretary of state and the appropriate county or city, the county or city's authority to impose the additional excise tax under this section ~~((shall))~~ must be temporarily rescinded until the governor files a subsequent notice rescinding the notice of noncompliance.

(7) A city or county may use revenue generated under subsection (2) of this section for municipally owned heavy short line railroads only if the revenue was collected prior to December 31, 2008, and may not use more than twenty-five percent of the total revenue generated under subsection (2) of this section for municipally owned heavy short line railroads.

**Sec. 5.** RCW 82.46.035 and 1992 c 221 s 3 and 1991 sp.s. c 32 s 33 are each reenacted and amended to read as follows:

(1) The legislative authority of any county or city shall identify in the adopted budget the capital projects and park maintenance and operation expenditures, or both, funded in whole or in part from the proceeds of the tax authorized in this section ~~((, and shall indicate that such tax is intended to be in addition to other funds that may be reasonably available for such capital projects))~~.

(2) The legislative authority of any county or any city that plans under RCW 36.70A.040(1) may impose an additional excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. Any county choosing to plan under RCW 36.70A.040(2) and any city within such a county may only adopt an ordinance imposing the excise tax authorized by this section if the ordinance is first authorized by a proposition approved by a majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election within the taxing district called by the district for the purpose of submitting such proposition to the voters.

(3) Revenues generated from the tax imposed under subsection (2) of this section ~~((shall))~~ must be used by such counties and cities ~~((solely))~~ for financing capital projects specified in a capital facilities plan element of a comprehensive plan and, until January 1, 2015, park maintenance and operation expenditures. A county or city using a portion of revenues from the tax for park maintenance and operation expenditures may not use revenues to finance park facilities. However, revenues (a) pledged by such counties and cities to debt retirement prior to March 1, 1992, may continue to be used for that purpose until the original debt for which the revenues were pledged is retired, or (b) committed prior to March 1, 1992, by such counties or cities to a project may continue to be used for that purpose until the project is completed.

(4) Revenues generated by the tax imposed by this section ~~((shall))~~ must be deposited in a separate account.

(5) As used in this section, "city" means any city or town and "capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, ~~((and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks))~~ parks, recreational facilities, law enforcement facilities, fire protection facilities, trails, libraries, administrative and/or judicial facilities, and river and water flood control facilities.

(6) When the governor files a notice of noncompliance under RCW 36.70A.340 with the secretary of state and the appropriate county or city, the county or city's authority to impose the additional excise tax under this section ~~((shall))~~ must be temporarily rescinded until the governor files a subsequent notice rescinding the notice of noncompliance.

**Sec. 6.** RCW 82.12.010 and 2009 c 535 s 304 are each amended to read as follows:

For the purposes of this chapter:

(1) "Purchase price" means the same as sales price as defined in RCW 82.08.010;

(2)(a) "Value of the article used" shall be the purchase price for the article of tangible personal property, the use of which is taxable

under this chapter. The term also includes, in addition to the purchase price, the amount of any tariff or duty paid with respect to the importation of the article used. In case the article used is acquired by lease or by gift or is extracted, produced, or manufactured by the person using the same or is sold under conditions wherein the purchase price does not represent the true value thereof, the value of the article used ~~((shall be))~~ is determined as nearly as possible according to the retail selling price at place of use of similar products of like quality and character under such rules as the department may prescribe.

(b) In case the articles used are acquired by bailment, the value of the use of the articles so used ~~((shall))~~ must be in an amount representing a reasonable rental for the use of the articles so bailed, determined as nearly as possible according to the value of such use at the places of use of similar products of like quality and character under such rules as the department of revenue may prescribe. In case any such articles of tangible personal property are used in respect to the construction, repairing, decorating, or improving of, and which become or are to become an ingredient or component of, new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to chapter 35.82 RCW, including the installing or attaching of any such articles therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation, then the value of the use of such articles so used ~~((shall be))~~ is determined according to the retail selling price of such articles, or in the absence of such a selling price, as nearly as possible according to the retail selling price at place of use of similar products of like quality and character or, in the absence of either of these selling price measures, such value may be determined upon a cost basis, in any event under such rules as the department of revenue may prescribe.

(c) In the case of articles owned by a user engaged in business outside the state which are brought into the state for no more than one hundred eighty days in any period of three hundred sixty-five consecutive days and which are temporarily used for business purposes by the person in this state, the value of the article used ~~((shall))~~ must be an amount representing a reasonable rental for the use of the articles, unless the person has paid tax under this chapter or chapter 82.08 RCW upon the full value of the article used, as defined in (a) of this subsection.

(d) In the case of articles manufactured or produced by the user and used in the manufacture or production of products sold or to be sold to the department of defense of the United States, the value of the articles used ~~((shall be))~~ is determined according to the value of the ingredients of such articles.

(e) In the case of an article manufactured or produced for purposes of serving as a prototype for the development of a new or improved product, the value of the article used ~~((shall be))~~ is determined by: (i) The retail selling price of such new or improved product when first offered for sale; or (ii) the value of materials incorporated into the prototype in cases in which the new or improved product is not offered for sale.

(f) In the case of an article purchased with a direct pay permit under RCW 82.32.087, the value of the article used ~~((shall be))~~ is determined by the purchase price of such article if, but for the use of the direct pay permit, the transaction would have been subject to sales tax;

(3) "Value of the service used" means the purchase price for the digital automated service or other service, the use of which is taxable under this chapter. If the service is received by gift or under conditions wherein the purchase price does not represent the true value thereof, the value of the service used ~~((shall be))~~ is determined as nearly as possible according to the retail selling

price at place of use of similar services of like quality and character under rules the department may prescribe;

(4) "Value of the extended warranty used" means the purchase price for the extended warranty, the use of which is taxable under this chapter. If the extended warranty is received by gift or under conditions wherein the purchase price does not represent the true value of the extended warranty, the value of the extended warranty used (~~(shall be)~~) is determined as nearly as possible according to the retail selling price at place of use of similar extended warranties of like quality and character under rules the department may prescribe;

(5) "Value of the digital good or digital code used" means the purchase price for the digital good or digital code, the use of which is taxable under this chapter. If the digital good or digital code is acquired other than by purchase, the value of the digital good or digital code must be determined as nearly as possible according to the retail selling price at place of use of similar digital goods or digital codes of like quality and character under rules the department may prescribe;

(6) "Use," "used," "using," or "put to use" have their ordinary meaning, and mean:

(a) With respect to tangible personal property, except for natural gas and manufactured gas, the first act within this state by which the taxpayer takes or assumes dominion or control over the article of tangible personal property (as a consumer), and include installation, storage, withdrawal from storage, distribution, or any other act preparatory to subsequent actual use or consumption within this state;

(b) With respect to a service defined in RCW 82.04.050(2)(a), the first act within this state after the service has been performed by which the taxpayer takes or assumes dominion or control over the article of tangible personal property upon which the service was performed (as a consumer), and includes installation, storage, withdrawal from storage, distribution, or any other act preparatory to subsequent actual use or consumption of the article within this state;

(c) With respect to an extended warranty, the first act within this state after the extended warranty has been acquired by which the taxpayer takes or assumes dominion or control over the article of tangible personal property to which the extended warranty applies, and includes installation, storage, withdrawal from storage, distribution, or any other act preparatory to subsequent actual use or consumption of the article within this state;

(d) With respect to a digital good or digital code, the first act within this state by which the taxpayer, as a consumer, views, accesses, downloads, possesses, stores, opens, manipulates, or otherwise uses or enjoys the digital good or digital code;

(e) With respect to a digital automated service, the first act within this state by which the taxpayer, as a consumer, uses, enjoys, or otherwise receives the benefit of the service;

(f) With respect to a service defined as a retail sale in RCW 82.04.050(6)(b), the first act within this state by which the taxpayer, as a consumer, accesses the prewritten computer software; (~~and~~)

(g) With respect to a service defined as a retail sale in RCW 82.04.050(2)(g), the first act within this state after the service has been performed by which the taxpayer, as a consumer, views, accesses, downloads, possesses, stores, opens, manipulates, or otherwise uses or enjoys the digital good upon which the service was performed; and

(h) With respect to natural gas or manufactured gas, the use of which is taxable under RCW 82.12.022, including gas that is also taxable under the authority of RCW 82.14.230, the first act within this state by which the taxpayer consumes the gas by burning the gas or storing the gas in the taxpayer's own facilities for later consumption by the taxpayer;

(7) "Taxpayer" and "purchaser" include all persons included with the meaning of the word "buyer" and the word "consumer" as defined in chapters 82.04 and 82.08 RCW;

(8)(a)(i) Except as provided in (a)(ii) of this subsection (8), "retailer" means every seller as defined in RCW 82.08.010 and every person engaged in the business of selling tangible personal property at retail and every person required to collect from purchasers the tax imposed under this chapter.

(ii) "Retailer" does not include a professional employer organization when a covered employee coemployed with the client under the terms of a professional employer agreement engages in activities that constitute a sale of tangible personal property, extended warranty, digital good, digital code, or a sale of any digital automated service or service defined as a retail sale in RCW 82.04.050 (2) (a) or (g), (3)(a), or (6)(b) that is subject to the tax imposed by this chapter. In such cases, the client, and not the professional employer organization, is deemed to be the retailer and is responsible for collecting and remitting the tax imposed by this chapter.

(b) For the purposes of (a) of this subsection, the terms "client," "covered employee," "professional employer agreement," and "professional employer organization" have the same meanings as in RCW 82.04.540;

(9) "Extended warranty" has the same meaning as in RCW 82.04.050(7);

(10) The meaning ascribed to words and phrases in chapters 82.04 and 82.08 RCW, insofar as applicable, (~~(shall have)~~) has full force and effect with respect to taxes imposed under the provisions of this chapter. "Consumer," in addition to the meaning ascribed to it in chapters 82.04 and 82.08 RCW insofar as applicable, (~~(shall)~~) also means any person who distributes or displays, or causes to be distributed or displayed, any article of tangible personal property, except newspapers, the primary purpose of which is to promote the sale of products or services. With respect to property distributed to persons within this state by a consumer as defined in this subsection (10), the use of the property shall be deemed to be by such consumer.

**Sec. 7.** RCW 82.14.230 and 1989 c 384 s 2 are each amended to read as follows:

(1) The governing body of any city, while not required by legislative mandate to do so, may, by resolution or ordinance for the purposes authorized by this chapter, fix and impose on every person a use tax for the privilege of using natural gas or manufactured gas in the city as a consumer.

(2) The tax (~~(shall be)~~) is imposed in an amount equal to the value of the article used by the taxpayer multiplied by the rate in effect for the tax on natural gas businesses under RCW 35.21.870 in the city in which the article is used. The "value of the article used," does not include any amounts that are paid for the hire or use of a natural gas business in transporting the gas subject to tax under this subsection if those amounts are subject to tax under RCW 35.21.870.

(3) The tax imposed under this section (~~(shall)~~) does not apply to the use of natural or manufactured gas if the person who sold the gas to the consumer has paid a tax under RCW 35.21.870 with respect to the gas for which exemption is sought under this subsection.

(4) There (~~(shall be)~~) is a credit against the tax levied under this section in an amount equal to any tax paid by:

(a) The person who sold the gas to the consumer when that tax is a gross receipts tax similar to that imposed pursuant to RCW 35.21.870 by another (~~(state)~~) municipality or other unit of local government with respect to the gas for which a credit is sought under this subsection; or

(b) The person consuming the gas upon which a use tax similar to the tax imposed by this section was paid to another (~~(state)~~)



municipality or other unit of local government with respect to the gas for which a credit is sought under this subsection.

(5) The use tax ~~((hereby))~~ imposed ~~((shall))~~ must be paid by the consumer. The administration and collection of the tax ~~((hereby))~~ imposed ~~((shall be))~~ is pursuant to RCW 82.14.050.

**Sec. 8.** RCW 9.46.113 and 1975 1st ex.s. c 166 s 11 are each amended to read as follows:

Any county, city or town which collects a tax on gambling activities authorized pursuant to RCW 9.46.110 shall use the revenue from such tax primarily for the purpose of ~~((enforcement of the provisions of this chapter by the county, city or town law enforcement agency))~~ public safety.

NEW SECTION. **Sec. 9.** Section 5 of this act takes effect June 30, 2012.

NEW SECTION. **Sec. 10.** Section 4 of this act expires June 30, 2012.

NEW SECTION. **Sec. 11.** 2009 c 551 s 12 (uncodified) is hereby repealed."

Correct the title.

With the consent of the House, amendments (1157) and (1138) were withdrawn.

Representative Orcutt moved the adoption of amendment (1217) to amendment (1194).

Beginning on page 1, line 3 of the amendment, strike all of section 1

Re-number the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Representative Orcutt spoke in favor of the adoption of the amendment to the amendment.

Representative Hunter spoke against the adoption of the amendment to the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Morris presiding) divided the House. The result was 40 - YEAS; 58 - NAYS.

Amendment (1217) to amendment (1194) was not adopted.

Representative Orcutt moved the adoption of amendment (1202) to amendment (1194).

Beginning on page 3, line 8, strike all of section 2

Re-number the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Representative Orcutt spoke in favor of the adoption of the amendment to the amendment.

Representative Darneille spoke against the adoption of the amendment to the amendment.

Amendment (1202) to amendment (1194) was not adopted.

Representative Orcutt moved the adoption of amendment (1220) to amendment (1194).

Beginning on page 4, line 13 of the amendment, strike all of section 3

Re-number the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Representative Orcutt spoke in favor of the adoption of the amendment to the amendment.

Representative Ericks spoke against the adoption of the amendment to the amendment.

Amendment (1220) to amendment (1194) was not adopted.

Representative Seaquist moved the adoption of amendment (1205) to amendment (1194).

Beginning on page 5, line 26 of the amendment, strike all of sections 4 and 5

Re-number the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Representatives Seaquist, Orcutt, Hinkle and Anderson spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Ericks, Simpson and Springer spoke against the adoption of the amendment to the striking amendment.

Amendment (1205) to amendment (1194) was adopted.

Representative Orcutt moved the adoption of amendment (1219) to amendment (1194).

Beginning on page 8, line 29 of the amendment, strike all of sections 6 and 7

Re-number the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Representative Orcutt spoke in favor of the adoption of the amendment to the amendment.

Representative Hunter spoke against the adoption of the amendment to the amendment.

An electronic roll call was requested

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (1219) to amendment (1194) to Substitute House Bill No. 3179.

## ROLL CALL

The Clerk called the roll on the adoption of amendment (1219) to amendment (1194) to Substitute House Bill No. 3179 and the amendment was not adopted by the following vote: Yeas: 44 Nays: 54 Absent: 0 Excused: 0

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Fagan, Haigh, Haler, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, Linville, McCune, Morris, Nealey, Orcutt, Parker, Pearson, Priest, Probst, Roach, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, and Warnick

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Finn, Flannigan, Goodman, Green, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Lias, Maxwell, McCoy, Miloscia, Moeller, Morrell, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Seaquist, Sells, Simpson, Springer, Sullivan, Takko,

Upthegrove, Van De Wege, Wallace, White, Williams, Wood, and Mr. Speaker

Amendment (1219) to amendment (1194) was not adopted.

Representative Alexander moved the adoption of amendment (1221) to amendment (1194).

Strike everything after page 1, line 2 of the amendment, and insert the following:

"**Sec. 1.** RCW 82.14.450 and 2009 c 551 s 1 are each amended to read as follows:

(1) A county legislative authority may submit an authorizing proposition to the county voters at a primary or general election and, if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. ~~((Funds raised under this tax shall not supplant existing funds used for these purposes, except as follows: Up to one hundred percent may be used to supplant existing funding in calendar year 2010; up to eighty percent may be used to supplant existing funding in calendar year 2011; up to sixty percent may be used to supplant existing funding in calendar year 2012; up to forty percent may be used to supplant existing funding in calendar year 2013; and up to twenty percent may be used to supplant existing funding in calendar year 2014. For purposes of this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is approved by voters. Actual operating expenditures excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the county or city receiving the services, and major nonrecurring capital expenditures.))~~ The rate of tax under this section may not exceed three-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(2) The tax authorized in this section is in addition to any 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 county.

(3) The retail sale or use of motor vehicles, and the lease of motor vehicles for up to the first thirty-six months of the lease, are exempt from tax imposed under this section.

(4) One-third of all money received under this section must be used solely for criminal justice purposes, fire protection purposes, or both. For the purposes of this subsection, "criminal justice purposes" has the same meaning as provided in RCW 82.14.340.

(5) Money received under this section must be shared between the county and the cities as follows: Sixty percent must be retained by the county and forty percent must be distributed on a per capita basis to cities in the county.

**Sec. 2.** RCW 82.14.460 and 2009 c 551 s 2 are each amended to read as follows:

(1) A county legislative authority may authorize, fix, and impose a sales and use tax in accordance with the terms of this chapter.

(2) The tax authorized in this section ~~((shall be))~~ is in addition to any other taxes authorized by law and ~~((shall))~~ 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 county. The rate of tax ~~((shall))~~ equals one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(3) Moneys collected under this section ~~((shall))~~ must be used solely for the purpose of providing for the operation or delivery of chemical dependency or mental health treatment programs and

services and for the operation or delivery of therapeutic court programs and services. For the purposes of this section, "programs and services" includes, but is not limited to, treatment services, case management, and housing that are a component of a coordinated chemical dependency or mental health treatment program or service.

~~((4) All moneys collected under this section must be used solely for the purpose of providing new or expanded programs and services as provided in this section, except a portion of moneys collected under this section may be used to supplant existing funding for these purposes in any county as follows: Up to fifty percent may be used to supplant existing funding in calendar year 2010; up to forty percent may be used to supplant existing funding in calendar year 2011; up to thirty percent may be used to supplant existing funding in calendar year 2012; up to twenty percent may be used to supplant existing funding in calendar year 2013; and up to ten percent may be used to supplant existing funding in calendar year 2014.~~

~~((5) Nothing in this section may be interpreted to prohibit the use of moneys collected under this section for the replacement of lapsed federal funding previously provided for the operation or delivery of services and programs as provided in this section.))~~

**Sec. 3.** RCW 82.14.340 and 1995 c 309 s 1 are each amended to read as follows:

(1) The legislative authority of any county may fix and impose a sales and use tax in accordance with the terms of this chapter, provided that such sales and use tax is subject to repeal by referendum, using the procedures provided in RCW 82.14.036. The referendum procedure provided in RCW 82.14.036 is the exclusive method for subjecting any county sales and use tax ordinance or resolution to a referendum vote.

(2) The tax authorized in this section shall be in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state pursuant to chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within such county. The rate of tax shall equal one-tenth of one percent of the selling price (in the case of a sales tax) or value of the article used (in the case of a use tax).

(3) When distributing moneys collected under this section, the state treasurer shall distribute ten percent of the moneys to the county in which the tax was collected. The remainder of the moneys collected under this section shall be distributed to the county and the cities within the county ratably based on population as last determined by the office of financial management. In making the distribution based on population, the county shall receive that proportion that the unincorporated population of the county bears to the total population of the county and each city shall receive that proportion that the city incorporated population bears to the total county population.

(4) Moneys received from any tax imposed under this section shall be expended ~~((exclusively))~~ for criminal justice purposes ~~((and shall not be used to replace or supplant existing funding))~~. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice system occurs, and which include ~~((s))~~ domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020. ~~((Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.))~~

(5) In the expenditure of funds for criminal justice purposes as provided in this section, cities and counties, or any combination thereof, are expressly authorized to participate in agreements, pursuant to chapter 39.34 RCW, to jointly expend funds for criminal justice purposes of mutual benefit. Such criminal justice purposes of mutual benefit include, but are not limited to, the construction, improvement, and expansion of jails, court facilities, and juvenile justice facilities.

NEW SECTION. Sec. 4. 2009 c 551 s 12 (uncodified) is hereby repealed."

Correct the title.

Representatives Alexander and Orcutt spoke in favor of the adoption of the amendment to the amendment.

Representative Hunter spoke against the adoption of the amendment to the amendment.

Amendment (1221) to amendment (1194) was not adopted.

Amendment (1194) was adopted as amended.

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.

Representatives Springer, White, Haigh, Hunt, Kagi and Ormsby spoke in favor of the passage of the bill.

Representatives Orcutt, Angel, Hinkle, Condotta, Parker, Ericksen and Bailey spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 3179.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 3179, and the bill passed the House by the following vote: Yeas, 51; Nays, 47; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Finn, Flannigan, Goodman, Haigh, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Linville, Maxwell, McCoy, Moeller, Morrell, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Seaquist, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, White, Williams, Wood and Mr. Speaker.

Voting nay: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Fagan, Green, Haler, Hasegawa, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, Lias, McCune, Miloscia, Nealey, Orcutt, Parker, Pearson, Priest, Probst, Roach, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Van De Wege, Wallace, Walsh and Warnick.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 3179, having received the necessary constitutional majority, was declared passed.

### RECONSIDERATION

There being no objection, the House reconsidered the vote by which ENGROSSED SUBSTITUTE HOUSE BILL NO. 2912 passed the House.

There being no objection, the rules were suspended, and ENGROSSED SUBSTITUTE HOUSE BILL NO. 2912 was returned to second reading for the purpose of amendment.

There being no objection, the House reverted to the sixth order of business.

### MESSAGE FROM THE SENATE

February 16, 2010

MR. SPEAKER:

The Senate has passed:

SUBSTITUTE SENATE BILL 5237  
 SUBSTITUTE SENATE BILL 6251  
 SUBSTITUTE SENATE BILL 6309  
 SUBSTITUTE SENATE BILL 6337  
 SUBSTITUTE SENATE BILL 6349  
 SUBSTITUTE SENATE BILL 6395  
 SUBSTITUTE SENATE BILL 6398  
 SENATE BILL 6453  
 SUBSTITUTE SENATE BILL 6470  
 ENGROSSED SUBSTITUTE SENATE BILL 6538  
 SUBSTITUTE SENATE BILL 6544  
 SUBSTITUTE SENATE BILL 6590  
 SUBSTITUTE SENATE BILL 6634  
 SUBSTITUTE SENATE BILL 6644  
 ENGROSSED SUBSTITUTE SENATE BILL 6658  
 SUBSTITUTE SENATE BILL 6749  
 ENGROSSED SUBSTITUTE SENATE BILL 6776

and the same are herewith transmitted.

Thomas Hoemann, Secretary

### SECOND READING

**ENGROSSED SUBSTITUTE HOUSE BILL NO. 2912, by Representatives Quall, Carlyle, O'Brien, Ericks, Dunshee, Sullivan, Blake, Jacks, Hunter and Maxwell**

**Modifying local excise taxes in counties that have pledged lodging tax revenues for the payment of bonds prior to June 26, 1975.**

Representative Quall moved the adoption of amendment (1187).

On page 6, line 5, after "under" strike "section 8 of this act" and insert "subsection (5) of this section"

On page 7, line 26, after "in" strike "section 8 of this act" and insert "subsection (5) of this section"

On page 7, after line 30, insert the following:

"(5)(a) Except as provided in subsection (2) of this section, money deposited in a special purposes account under this section may be used only for one or more of the following purposes within the county:

(i) Funding nonprofit organizations providing public health services;

(ii) Funding nonprofit organizations providing human service programs;

(iii) Funding tourism promotion as defined in RCW 67.28.080;

(iv) Funding youth or amateur sports activities or facilities;

(v) Funding regional centers;

(vi) Funding performing arts centers; or

(vii) Funding community preservation and development authorities created in chapter 43.167 RCW.

(b) Beginning in calendar year 2012, an amount equal to one dollar for each admission to any commercial event at a stadium developed by a public facilities district under chapter 36.100 RCW or a stadium and exhibition center developed by a public stadium authority under chapter 36.102 RCW, shall be deposited into the community preservation and development authority account created in RCW 43.167.040.

(c) Between January 1, 2012, and January 1, 2021, eight million four hundred thousand dollars must be transferred annually to the affordable workforce housing account described in subsection (3)(d)(ii) of this section."

On page 8, line 17, after "under" strike "section 8 of this act" and insert "RCW 67.28.180(5)"

On page 9, beginning on line 10, after "under" strike "section 8 of this act" and insert "RCW 67.28.180(5)"

On page 10, line 11, after "under" strike "section 8 of this act" and insert "RCW 67.28.180(5)"

On page 11, line 35, after "under" strike "section 8 of this act" and insert "RCW 67.28.180(5)"

On page 15, beginning on line 1, strike all of section 8

Re-number the remaining section consecutively, correct any internal references accordingly, and correct the title.

Representative Chase moved the adoption of amendment (1241) to amendment (1187).

On page 2, line 2 of the amendment, after "section." insert the following:

"(d) Money deposited in a special purposes account under this subsection may not be used for the construction, repair, or improvement of a stadium used primarily by or for the purposes of a state university."

Representatives Chase and Orcutt spoke in favor of the adoption of the amendment to the amendment.

Amendment (1241) to amendment (1187) was adopted.

Amendment (1187) was adopted as amended.

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.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Second Engrossed Substitute House Bill No. 2912.

#### ROLL CALL

The Clerk called the roll on the final passage of Second Engrossed Substitute House Bill No. 2912, and the bill passed the House by the following vote: Yeas, 53; Nays, 45; Absent, 0; Excused, 0.

Voting yea: Representatives Anderson, Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Ericks, Finn, Flannigan, Goodman, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Linville, Maxwell, McCoy, Miloscia, Moeller, Morrell, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Priest, Roberts, Rodne, Rolfes, Santos, Seaquist, Sells, Simpson, Springer,

Sullivan, Takko, Upthegrove, White, Williams, Wood and Mr. Speaker.

Voting nay: Representatives Alexander, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Eddy, Ericksen, Fagan, Green, Haler, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, Liias, McCune, Morris, Nealey, Orcutt, Parker, Pearson, Probst, Quall, Roach, Ross, Schmick, Shea, Short, Smith, Taylor, Van De Wege, Wallace, Walsh and Warnick.

SECOND ENGROSSED SUBSTITUTE HOUSE BILL NO. 2912, having received the necessary constitutional majority, was declared passed.

#### **SUBSTITUTE HOUSE BILL NO. 1597, by Representatives Springer and Hunter**

#### **Concerning the administration of state and local tax programs.**

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1597 was substituted for Substitute House Bill No. 1597 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1597 was read the second time.

Representative Orcutt moved the adoption of amendment (1231).

Beginning on page 93, line 20, strike all of section 304

Re-number the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Representatives Orcutt and Hunter spoke in favor of the adoption of the amendment.

Amendment (1231) was 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.

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

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1597.

#### ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1597, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert,

Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

SECOND SUBSTITUTE HOUSE BILL NO. 1597, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 3040, by Representatives Conway, Wood, Appleton, Rolfes, Sells, Sullivan and Finn**

**Regarding the licensing of appraisal management companies.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 3040 was substituted for House Bill No. 3040 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 3040 was read the second time.

Representative Conway moved the adoption of amendment (1195).

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1. DEFINITIONS.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Appraisal" means the act or process of estimating value; an estimate of value; or of pertaining to appraising and related functions.

(2) "Appraisal management company" means an entity that performs appraisal management services, regardless of the use of the term appraisal management company, mortgage technology provider, lender processing services, lender services, loan processor, mortgage services, real estate closing services provider, settlement services provider, or vendor management company, or any other term.

(3) "Appraisal management services" means to perform any or all of the following functions on behalf of a lender, financial institution, mortgage broker, loan originator, or any other person:

(a) Administer an appraiser panel;

(b) Recruit, qualify, verify licensing or certification, and negotiate fees and service level expectations with persons who are part of an appraiser panel;

(c) Receive an order for an appraisal from one person, or entity, and deliver the order for the appraisal to an appraiser that is part of an appraiser panel for completion;

(d) Track and determine the status of appraisal orders;

(e) Conduct quality control of a completed appraisal prior to the delivery of the appraisal to the person that ordered the appraisal; and

(f) Provide a completed appraisal performed by an appraiser to one or more persons that have ordered an appraisal.

(4) "Appraisal review" or "appraisal review services" means developing and communicating an opinion about the quality of another appraiser's work that was performed, or assignment results that were developed, as part of an appraisal assignment.

(5) "Appraiser" means a person who is licensed or certified under chapter 18.140 RCW or under similar laws of another state.

(6) "Appraiser fee schedule" means a list of the various appraisal products requested by an appraisal management company from appraisers and the fees that the appraisal management company is willing to pay an appraiser for the performance of the appraisals.

(7) "Appraiser panel" means a network of appraisers who are independent contractors of an appraisal management company that have:

(a) Independently applied to or responded to an invitation, request, or solicitation from an appraisal management company to perform appraisals for persons, or entities, that have ordered appraisals through the appraisal management company, or to perform appraisals for the appraisal management company directly, on a periodic basis, as assigned by the appraisal management company; and

(b) Been selected, and approved, by an appraisal management company to perform appraisals for a person, or entity, that has ordered an appraisal through the appraisal management company, or to perform appraisals for the appraisal management company directly, on a periodic basis, as assigned by the appraisal management company.

(8) "Controlling person" means:

(a) An owner, officer, or director of a corporation, partnership, or other business entity seeking to offer appraisal management services in this state;

(b) An individual employed, appointed, or authorized by an appraisal management company that has the authority to enter into a contractual relationship with other persons for the performance of appraisal management services and has the authority to enter into agreements with appraisers for the performance of appraisals;

(c) An individual who possesses the power to direct or cause the direction of the management or policies of an appraisal management company;

(d) Any person who controls a partnership, company, association, or corporation through one or more intermediaries, alone or in concert with others, or a ten percent or greater interest in a partnership, company, association, or corporation; or

(e) Any person who controls a limited liability company or is the owner of a sole proprietorship.

(9) "Department" means the department of licensing.

(10) "Director" means the director of the department of licensing.

**NEW SECTION. Sec. 2. POWERS AND DUTIES OF DIRECTOR.** The director shall:

(1) Adopt rules to implement this chapter;

(2) Establish appropriate administrative procedures for the processing of the applications;

(3) Issue licenses to qualified companies under the provisions of this chapter; and

(4) Maintain a roster of the names and addresses of companies licensed under this chapter;

(5) Employ professional, clerical, and technical assistance as may be necessary to properly administer the work of the director;

(6) Establish forms necessary to administer this chapter;

(7) Oversee the performance of any background investigations;

(8) Initiate and oversee investigations and any audits;

(9) Establish grounds for disciplinary actions;

(10) Adopt fees under RCW 43.24.086; and

(11) Do all other things necessary to carry out the provisions of this chapter and comply with the requirements of any pertinent federal laws pertaining to appraisal management companies.

**NEW SECTION. Sec. 3. IMMUNITY.** The director or individuals acting on behalf of the director are immune from suit in any action, civil or criminal, based on any acts performed in the

course of their duties except for their intentional or willful misconduct.

**NEW SECTION. Sec. 4. APPLICATIONS--ORIGINAL AND RENEWALS.** (1) Applications for licensure must be made to the department on forms approved by the director. Applications for original and renewal licenses must include a statement confirming that the company must comply with applicable rules and that the company understands the penalties for misconduct.

(2) The appropriate fees must accompany all applications for original licensure and renewal.

(3) Each applicant shall file and maintain a surety bond, approved by the director, executed by the applicant as obligor and by a surety company authorized to do a surety business in this state as surety, whose liability as the surety may not exceed in the aggregate the penal sum of the bond. The penal sum of the bond must be a minimum of twenty-five thousand dollars. The bond must run to the state of Washington as obligee for the use and benefit of the state and of any person or persons who may have a cause of action against the obligor under this chapter. The bond must be conditioned that the obligor as licensee will faithfully conform to and abide by this chapter and all the rules adopted under this chapter. The bond will pay to the state and any person or persons having a cause of action against the obligor all moneys that may become due and owing to the state and those persons under and by virtue of this chapter.

**NEW SECTION. Sec. 5. OUT OF STATE COMPANIES--CONSENT FOR SERVICE OF PROCESS.** Every company seeking licensure whose headquarters is not based in the state of Washington shall submit, with the application for licensure, an irrevocable consent that service of process upon the controlling person or persons may be made by service on the director if, in an action against the entity in a Washington state court arising out of the entity's activities as an appraisal management company, the plaintiff cannot, in the exercise of due diligence, obtain personal service upon the company.

**NEW SECTION. Sec. 6. LICENSURE--REQUIRED USE OF NAME AND LICENSE NUMBER.** (1) A license issued under this chapter must bear the signature or facsimile signature of the director and a license number assigned by the director.

(2) Each licensed appraisal management company shall place the name under which it does business and its license number on any appraisal engagement document issued.

**NEW SECTION. Sec. 7. LICENSURE REQUIRED.** (1) It is unlawful for an entity to engage or attempt to engage in business as an appraisal management company, to engage or attempt to perform appraisal management services, or to advertise or hold itself out as engaging in or conducting business as an appraisal management company without first obtaining a license issued by the department under this chapter.

(2) An application for the issuance or renewal of a license required by subsection (1) of this section must, at a minimum, include the following information:

- (a) Name of the entity seeking licensure;
- (b) Names under which the entity will do business;
- (c) Business address of the entity seeking licensure;
- (d) Phone contact information of the entity seeking licensure;
- (e) If the entity is not a corporation that is domiciled in this state, the name and contact information for the company's agent for service of process in this state;
- (f) The name, address, and contact information for any individual or any corporation, partnership, or other business entity that owns ten percent or more of the appraisal management company;
- (g) The name, address, and contact information for a controlling person;

(h) A certification that the entity has a system and process in place to verify that a person being added to the appraiser panel of the appraisal management company for work being done in this state holds a license or certificate in good standing under chapter 18.140 RCW;

(i) A certification that the entity has a system in place to review the work of appraisers that are performing real estate appraisal services on a periodic basis and have a policy in place to require that the real estate appraisal services provided by the appraiser are being conducted in accordance with chapter 18.140 RCW and other applicable state and federal laws;

(j) A certification that the entity maintains a detailed record of each service request that it receives and the appraiser that performs the real estate appraisal services under section 13 of this act;

(k) A certification that the entity maintains a complete copy of the completed appraisal report performed as a part of any request, for a minimum period of five years, seven years if the property or the appraisal becomes involved in any litigation, under uniform standards of professional appraisal practice provisions, and that the appraisals must be provided to the department upon demand;

(l) An irrevocable uniform consent to service of process, under section 6 of this act; and

(m) Any other relevant information reasonably required by the department to obtain a license under the requirements of this chapter.

**NEW SECTION. Sec. 8. OWNER REQUIREMENTS.** (1) An appraisal management company may not be more than ten percent owned by:

(a) A person who has had a license or certificate to act as an appraiser refused, denied, canceled, or revoked in any state; or

(b) An entity that is more than ten percent owned by any person who has had a license or certificate to act as an appraiser refused, denied, canceled, or revoked in any state.

(2)(a) Each person that owns more than ten percent of an appraisal management company must:

(i) Be of good moral character, as determined by the department; and

(ii) Submit to a background investigation under section 15 of this act.

(b) Each appraisal management company must certify to the department that it has reviewed each and every individual or entity that owns more than ten percent of the appraisal management company and that no entity that owns more than ten percent of the appraisal management company directly controlled by a person who has had a license or certificate to act as an appraiser refused, denied, canceled, or revoked.

(3) A person under this section may appeal an adjudicative proceeding involving a final decision of the director to deny, suspend, or revoke a license under chapter 18.235 RCW.

**NEW SECTION. Sec. 9. CONTROLLING PERSON REQUIREMENTS.** (1)(a) An appraisal management company shall designate one controlling person that will be the main contact for all communication between the department and the appraisal management company.

(b) Should the controlling person change, the appraisal management company must notify the director within fourteen business days and provide the name and contact information of the new controlling person.

(2) The controlling person designated under subsection (1) of this section must:

(a) Have never had a license or certificate to act as an appraiser surrendered in lieu of disciplinary action, refused, denied, canceled, or revoked in any state;

(b) Be of good moral character, as determined by the department; and

(c) Submit to a background investigation under section 15 of this act.

**NEW SECTION. Sec. 10. APPRAISER REQUIREMENTS.**

(1) An appraisal management company may not knowingly contract with or employ as an appraiser:

(a) Any person who has ever had a license or certificate to act as an appraiser in this state, or in any other state, surrendered in lieu of disciplinary action, refused, denied, canceled, or revoked. However, a person under this subsection (1)(a) may appeal an adjudicative proceeding involving a final decision of the director to deny, suspend, or revoke a license under chapter 18.235 RCW;

(b) Any person who has been convicted of an offense that reflects adversely upon the person's integrity, competence, or fitness to meet the responsibilities of an appraiser or appraisal management company;

(c) Any person who has been convicted of, or who has pled guilty or nolo contendere to, a felony related to participation in the real estate or mortgage loan industry:

(i) During the seven-year period preceding the date of the application for licensing and registration; or

(ii) At any time preceding the date of application, if the felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering;

(d) Any person who is in violation of chapter 19.146 or 31.04 RCW; or

(e) Any person who is in violation of this chapter.

(2) An appraisal management company may not:

(a) Knowingly enter into any independent contractor arrangement for appraisal or appraisal review services with any person who has ever had a license or certificate to act as an appraiser in this state, or in any other state, surrendered in lieu of disciplinary action, refused, denied, canceled, or revoked; and

(b) Knowingly enter into any contract, agreement, or other business relationship for appraisal or appraisal review services with any entity that employs, has entered into an independent contractor arrangement, or has entered into any contract, agreement, or other business relationship with any person who has ever had a license or certificate to act as an appraiser in this state or in any other state surrendered in lieu of disciplinary action, refused, denied, canceled, or revoked.

(3) Any employee of the appraisal management company, or any contractor working in any capacity on behalf of the appraisal management company, that has any involvement in the actual performance of appraisal or appraisal review services, or review and analysis of completed appraisals must be a state licensed or state certified appraiser in the state in which the property is located, and must have geographic and product competence. This requirement does not apply to any review or examination of the appraisal for grammatical, typographical, or similar errors or general reviews of the appraisal for completeness.

**NEW SECTION. Sec. 11. EXEMPTIONS.** The provisions of this chapter do not apply to the following:

(1) A department or unit within a financial institution that is subject to direct regulation by an agency of the United States government, or to regulation by an agency of this state, that receives a request for the performance of an appraisal from one employee of the financial institution, and another employee of the same financial institution assigns the request for the appraisal to an appraiser that is part of an appraiser panel; or

(2) An appraiser that enters into an agreement, whether written or otherwise, with another appraiser for the performance of an appraisal, and upon completion of the appraisal, the report of the appraiser performing the appraisal is signed by both the appraiser who completed the appraisal and the appraiser who requested the completion of the appraisal.

**NEW SECTION. Sec. 12. RECORDKEEPING.** An appraisal management company must certify to the department on initial application and upon renewal, that it maintains a detailed record of each service request that it receives and the appraiser that performs the appraisal for the appraisal management company. This statement must also certify that the appraisal management company maintains a complete copy of the completed appraisal report, for a minimum period of not less than five years after the appraisal is completed, nor for a period of not less than two years after final disposition of a judicial proceeding in which testimony relating to the records was given, whichever period expires later.

**NEW SECTION. Sec. 13. ADJUDICATION OF DISPUTES BETWEEN AN APPRAISAL MANAGEMENT COMPANY AND AN APPRAISER.** (1) Except within the first thirty days after an appraiser is first added to the appraiser panel of an appraisal management company, an appraisal management company may not remove an appraiser from its appraiser panel, or otherwise refuse to assign requests for real estate appraisal services to an appraiser without:

(a) Notifying the appraiser in writing of the reasons why the appraiser is being removed from the appraiser panel of the appraisal management company, including if the appraiser is being removed from the panel for illegal conduct, a violation of state licensing standards, substandard performance, or administrative purposes. In addition, if the removal is not for administrative purposes, the nature of the alleged conduct, substandard performance, or violation must be provided; and

(b) Providing an opportunity for the appraiser to respond to the notification of the appraisal management company.

(2) An appraiser that is removed from the appraiser panel of an appraisal management company for alleged illegal conduct or a violation of state licensing standards, may file a complaint with the department for a review of the decision of the appraisal management company, except that in no case will the department make any determination regarding the nature of the business relationship between the appraiser and the appraisal management company which is unrelated to the actions specified in subsection (1) of this section.

(3) If an appraiser files a complaint against an appraisal management company pursuant to subsection (2) of this section, the department may investigate the complaint within one hundred eighty days during which time the appraiser must remain removed from the panel.

(4) If after opportunity for hearing and review, the department determines that an appraiser did not commit a violation of law or a violation of state licensing standards, the department shall order that an appraiser be restored to the appraiser panel of the appraisal management company that was the subject of the complaint without prejudice.

(5) Following the adjudication of a complaint to the department by an appraiser against an appraisal management company, an appraisal management company may not refuse to make assignments for real estate appraisal services to an appraiser, or reduce the number of assignments, or otherwise penalize the appraiser because of the adjudicated complaint, if the department has found that the appraisal management company acted without reasonable cause in removing the appraiser from the appraiser panel.

**NEW SECTION. Sec. 14. DISCIPLINARY ACTIONS-- GROUND.** (1) In addition to the unprofessional conduct described in RCW 18.235.130, the director may take disciplinary action for the following:

(a) Failing to meet the minimum qualifications for licensure established under this chapter;

(b) Failing to pay appraisers no later than forty-five days after completion of the appraisal service unless otherwise agreed or

unless the appraiser has been notified in writing that a bona fide dispute exists regarding the performance or quality of the appraisal service;

(c) Failing to pay appraisers even if the appraisal management company is not paid by its client;

(d) Coercing, extorting, colluding, compensating, instructing, inducing, intimidating, bribing an appraiser, or in any other manner including:

(i) Withholding or threatening to withhold timely payment for an appraisal;

(ii) Requiring the appraiser to remit a portion of the appraisal fee back to the appraisal management company;

(iii) Withholding or threatening to withhold future business for, or demoting or terminating or threatening to demote or terminate, an appraiser;

(iv) Expressly or impliedly promising future business, promotions, or increased compensation for an appraiser;

(v) Conditioning the request for an appraisal or the payment of an appraisal fee or salary or bonus on the opinion, conclusion, or valuation to be reached, or on a preliminary estimate or opinion requested from an appraiser;

(vi) Requesting that an appraiser provide an estimated, predetermined, or desired valuation in an appraisal report, or provide estimated values or comparable sales at any time prior to the appraiser's completion of an appraisal;

(vii) Providing to an appraiser an anticipated, estimated, encouraged, or desired value for a subject property or a proposed or target amount to be loaned to the borrower, except that a copy of the sales contract for purchase transactions must be provided to the appraiser;

(viii) Providing to an appraiser, or any entity or person related to the appraiser, stock or other financial or nonfinancial benefits;

(ix) Obtaining, using, or paying for a second or subsequent appraisal or ordering an automated valuation model in connection with a mortgage financing transaction unless there is a reasonable basis to believe that the initial appraisal was flawed or tainted and such basis is clearly and appropriately noted in the loan file, or unless such appraisal or automated valuation model is done pursuant to a bona fide prefunding or postfunding appraisal review or quality control process; or

(x) Any other act or practice that impairs or attempts to impair an appraiser's independence, objectivity, or impartiality, or that violates law;

(e) Altering, modifying, or otherwise changing a completed appraisal report submitted by an appraiser;

(f) Copying and using the appraiser's signature for any purpose or in any other report;

(g) Extracting, copying, or using only a portion of the appraisal report without reference to the entire report;

(h) Prohibiting or attempting to prohibit the appraiser from including or referencing the appraisal fee, the appraisal management company name or identity, or the client's or lender's name or identity in the appraisal report;

(i) Knowingly requiring an appraiser to prepare an appraisal report, engaging an appraiser to perform an appraisal, or accepting an appraisal from an appraiser who has informed the appraisal management company that he or she does not have either the geographic competence or necessary expertise to complete the appraisal;

(j) Knowingly requiring an appraiser to prepare an appraisal report under such a limited time frame when the appraiser, in the appraiser's own professional judgment, has informed the appraisal management company that it does not afford the appraiser the ability to meet all relevant legal and professional obligations or provide a credible opinion of value for the property being appraised. This subsection (1)(j) allows an appraiser to decline an

assignment, but is not a basis for complaints against the appraisal management company;

(k) Requiring, or attempting to require, an appraiser to modify an appraisal report except as permitted under subsection (2)(a) or (b) of this section;

(l) Prohibiting, or attempting to prohibit, or inhibiting legal or other allowable communication between the appraiser and:

(i) The lender;

(ii) A real estate licensee;

(iii) A property owner; or

(iv) Any other party or person from whom the appraiser, in the appraiser's own professional judgment, believes information would be relevant or pertinent in completing the appraisal;

(m) Knowingly requiring or attempting to require the appraiser to do anything that violates chapter 18.140 RCW or other applicable state and federal laws or with any allowable assignment conditions or certifications required by the client;

(n) Prohibiting or refusing to allow, or attempting to prohibit or refuse to allow, the transfer of an appraisal from one lender to another lender if the lenders are allowed to transfer an appraisal under applicable federal law; or

(o) Requiring an appraiser to sign any indemnification agreement that would require the appraiser to defend and hold harmless the appraisal management company or any of its agents, employees, or independent contractors for any liability, damage, losses, or claims arising out of the services performed by the appraisal management company or its agents, employees, or independent contractors and not the services performed by the appraiser.

(2) Nothing in subsection (1) of this section may be construed as prohibiting the appraisal management company from requesting that an appraiser:

(a) Provide additional information about the basis for a valuation, including whether or not the appraiser considered other sales and reasons the other sales were either not considered relevant or included in the appraisal; or

(b) Correct objective factual errors in an appraisal report.

**NEW SECTION. Sec. 15. BACKGROUND INVESTIGATIONS.** Background investigations under this chapter consist of fingerprint-based background checks through the Washington state patrol criminal identification system and through the federal bureau of investigation. The applicant is required to pay the current federal and state fees for fingerprint-based criminal history background checks. The applicant shall submit the fingerprints and required fees for the background checks to the department for submission to the Washington state patrol.

**NEW SECTION. Sec. 16. APPRAISAL MANAGEMENT COMPANY ACCOUNT.** The appraisal management company account is created in the state treasury. All fees and penalties under this chapter must be paid to the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for expenses incurred in carrying out the provisions of this chapter. Any residue in the account shall be accumulated and shall not revert to the general fund at the end of the biennium.

**NEW SECTION. Sec. 17. UNIFORM REGULATION OF BUSINESS AND PROFESSIONS ACT.** The uniform regulation of business and professions act, chapter 18.235 RCW, governs unlicensed practice, the issuance and denial of licenses, and the discipline of licensees under this chapter.

**Sec. 18.** RCW 18.235.020 and 2009 c 412 s 22, 2009 c 370 s 20, and 2009 c 102 s 5 are each reenacted and amended to read as follows:

(1) This chapter applies only to the director and the boards and commissions having jurisdiction in relation to the businesses and professions licensed under the chapters specified in this section.



This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The director has authority under this chapter in relation to the following businesses and professions:

- (i) Auctioneers under chapter 18.11 RCW;
  - (ii) Bail bond agents and bail bond recovery agents under chapter 18.185 RCW;
  - (iii) Camping resorts' operators and salespersons under chapter 19.105 RCW;
  - (iv) Commercial telephone solicitors under chapter 19.158 RCW;
  - (v) Cosmetologists, barbers, manicurists, and estheticians under chapter 18.16 RCW;
  - (vi) Court reporters under chapter 18.145 RCW;
  - (vii) Driver training schools and instructors under chapter 46.82 RCW;
  - (viii) Employment agencies under chapter 19.31 RCW;
  - (ix) For hire vehicle operators under chapter 46.72 RCW;
  - (x) Limousines under chapter 46.72A RCW;
  - (xi) Notaries public under chapter 42.44 RCW;
  - (xii) Private investigators under chapter 18.165 RCW;
  - (xiii) Professional boxing, martial arts, and wrestling under chapter 67.08 RCW;
  - (xiv) Real estate appraisers under chapter 18.140 RCW;
  - (xv) Real estate brokers and salespersons under chapters 18.85 and 18.86 RCW;
  - (xvi) Security guards under chapter 18.170 RCW;
  - (xvii) Sellers of travel under chapter 19.138 RCW;
  - (xviii) Timeshares and timeshare salespersons under chapter 64.36 RCW;
  - (xix) Whitewater river outfitters under chapter 79A.60 RCW; ~~((and))~~
  - (xx) Home inspectors under chapter 18.280 RCW; ~~((and))~~
  - (xxi) Body artists, body piercers, and tattoo artists, and body art, body piercing, and tattooing shops and businesses, under chapter 18.300 RCW; and
  - (xxii) Appraisal management companies under chapter 18.-- RCW (the new chapter created in section 20 of this act).
- (b) The boards and commissions having authority under this chapter are as follows:
- (i) The state board of registration for architects established in chapter 18.08 RCW;
  - (ii) The Washington state collection agency board established in chapter 19.16 RCW;
  - (iii) The state board of registration for professional engineers and land surveyors established in chapter 18.43 RCW governing licenses issued under chapters 18.43 and 18.210 RCW;
  - (iv) The funeral and cemetery board established in chapter 18.39 RCW governing licenses issued under chapters 18.39 and 68.05 RCW;
  - (v) The state board of licensure for landscape architects established in chapter 18.96 RCW; and
  - (vi) The state geologist licensing board established in chapter 18.220 RCW.

(3) In addition to the authority to discipline license holders, the disciplinary authority may grant or deny licenses based on the conditions and criteria established in this chapter and the chapters specified in subsection (2) of this section. This chapter also governs any investigation, hearing, or proceeding relating to denial of licensure or issuance of a license conditioned on the applicant's compliance with an order entered under RCW 18.235.110 by the disciplinary authority.

**NEW SECTION. Sec. 19. SEVERABILITY.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the

application of the provision to other persons or circumstances is not affected.

**NEW SECTION. Sec. 20.** Sections 1 through 17 and 19 of this act constitute a new chapter in Title 18 RCW.

**NEW SECTION. Sec. 21.** This act takes effect July 1, 2011." Correct the title.

Representatives Conway and Condotta spoke in favor of the adoption of the amendment.

Amendment (1195) was 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.

Representatives Conway and Condotta spoke in favor of the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 3040.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 3040, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 3040, having received the necessary constitutional majority, was declared passed.

#### **HOUSE BILL NO. 2882, by Representatives Klippert, Green, Dammeier, Dickerson, Kelley, Wallace and McCune**

##### **Detaining persons with mental disorders.**

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 2882 was substituted for House Bill No. 2882 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 2882 was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Klippert and Dickerson spoke in favor of the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 2882.

### ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 2882, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Halder, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

SECOND SUBSTITUTE HOUSE BILL NO. 2882, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2424, by Representatives O'Brien, Pearson, Hurst, Takko, Herrera, Chandler, Ross, Rodne, Dammeier, Condotta, Shea, Klippert, Smith, Walsh, Parker, McCune, Campbell, Johnson, Eddy, Morrell, Kelley, Short, Sullivan, Conway, Kagi, Roach, Kristiansen, Bailey, Halder, Schmick, Ericks, Warnick, Ormsby, Moeller and Hope**

#### Protecting children from sexual exploitation and abuse.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2424 was substituted for House Bill No. 2424 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2424 was read the second time.

Representative O'Brien moved the adoption of amendment (1040).

On page 3, line 28, after "RCW." insert "Nothing in this act is intended to in any way affect or diminish the immunity afforded an electronic communication service provider, remote computing service provider, or domain name registrar acting in the performance of its reporting or preservation responsibilities under 18 U.S.C. Secs. 2258a, 2258b, or 2258c."

Representatives O'Brien and Pearson spoke in favor of the adoption of the amendment.

Amendment (1040) was 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.

Representatives O'Brien and Pearson spoke in favor of the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2424.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2424, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Halder, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2424, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2752, by Representatives Dickerson, Orwall, Walsh, Goodman, Kagi, Roberts, Pedersen, Green, Santos and Nelson**

#### Modifying provisions relating to providing shelter to a minor.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2752 was substituted for House Bill No. 2752 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2752 was read the second time.

Representative Klippert moved the adoption of amendment (1240).

On page 1, at the end of line 13, after "trust." Insert the following:

"The legislature also finds that parents of runaway youth have an interest in knowing their sons and daughters are safe in a shelter, rather than on the streets without protection. The legislature further finds that law enforcement and the department can notify a parent that the youth is safe, without disclosing the youth's location or compromising the ability of youth services providers to effectively assist youth in crisis."

On page 2, line 9, after "shall" strike all material through "(c)" on line 17 and insert the following:

(i) within eight hours, notify the department or the law enforcement agency of the jurisdiction in which the youth lives. Notice under this subsection (i) is for the limited purpose of communicating that the youth currently is safe and is off the streets, and shall not disclose the whereabouts of the youth, or the circumstances surrounding the youth's contact with the shelter or organization unless shelter staff have already provided such information to the youth's parent under subsection (ii) of this subsection; and

(ii) within not more than seventy-two hours, and preferably within twenty-four hours, notify the parent of the youth. Notice under this subsection (ii) should include the whereabouts of the youth, a description of the youth's physical and emotional condition, and the circumstances surrounding the youth's contact with the shelter or organization. If there are compelling reasons not to notify the parent, the shelter or organization shall instead provide the information to the department.

(c) When a local law enforcement agency or the department receives notice under subsection (b)(i) of this section, the agency or the department shall make a good faith effort to notify the youth's parent that the youth is currently safe and off the streets, but shall not disclose the whereabouts of the youth, if known to the agency or department.

(d)"

Representatives Klippert and Dickerson spoke in favor of the adoption of the amendment.

Amendment (1240) was 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.

Representatives Dickerson, Haler, Walsh and Angel spoke in favor of the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2752.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2752, and the bill passed the House by the following vote: Yeas, 95; Nays, 3; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

Voting nay: Representatives DeBolt, Ericksen and Herrera.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2752, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Morris presiding) called upon Representative Moeller to preside.

#### SECOND READING

**HOUSE BILL NO. 2823, by Representatives Kristiansen, Armstrong, Blake and Kelley**

**Permitting retired participants to resume volunteer firefighter, emergency worker, or reserve officer service.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Kristiansen and Ericks spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 2823.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2823, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

HOUSE BILL NO. 2823, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 3168, by Representatives Orcutt and McCune**

**Providing taxpayers additional appeal protections for value changes.**

The bill was read the second time.

Representative Orcutt moved the adoption of amendment (1239).

On page 2, line 22, after "taxpayer" strike "did not receive a revaluation notice" and insert "was not sent a revaluation notice under RCW 84.40.045"

Representatives Orcutt and Hunter spoke in favor of the adoption of the amendment.

Amendment (1239) was 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.

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 3168.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 3168, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

ENGROSSED HOUSE BILL NO. 3168, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Moeller presiding) called upon Representative Morris to preside.

### SECOND READING

#### HOUSE BILL NO. 2701, by Representative Taylor

**Clarifying the time of commencement of regular legislative sessions.**

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Taylor and Hunt spoke in favor of the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of House Bill No. 2701.

### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2701, and the bill passed the House by the following vote: Yeas, 97; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer, Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

Voting nay: Representative Liias.

HOUSE BILL NO. 2701, having received the necessary constitutional majority, was declared passed.

### POINT OF PERSONAL PRIVILEGE

Representative Ericksen congratulated Representative Taylor on the passage of his first bill through the House, and asked the Chamber to acknowledge his accomplishment.

#### HOUSE BILL NO. 2989, by Representatives Moeller and Cody

##### Concerning respiratory care practitioners.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Moeller and Hinkle spoke in favor of the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of House Bill No. 2989.

### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2989, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Blake, Campbell, Carlyle, Chandler, Chase, Clibborn, Cody, Condotta, Conway, Crouse, Dammeier, Darneille, DeBolt, Dickerson, Driscoll, Dunshee, Eddy, Ericks, Ericksen, Fagan, Finn, Flannigan, Goodman, Green, Haigh, Haler, Hasegawa, Herrera, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jacks, Johnson, Kagi, Kelley, Kenney, Kessler, Kirby, Klippert, Kretz, Kristiansen, Liias, Linville, Maxwell, McCoy, McCune, Miloscia, Moeller, Morrell, Morris, Nealey, Nelson, O'Brien, Orcutt, Ormsby, Orwall, Parker, Pearson, Pedersen, Pettigrew, Priest, Probst, Quall, Roach, Roberts, Rodne, Rolfes, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Simpson, Smith, Springer,

Sullivan, Takko, Taylor, Upthegrove, Van De Wege, Wallace, Walsh, Warnick, White, Williams, Wood and Mr. Speaker.

HOUSE BILL NO. 2989, having received the necessary constitutional majority, was declared passed.

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

### SUPPLEMENTAL INTRODUCTIONS AND FIRST READING

HB 3188 by Representative Hunter

AN ACT Relating to modifying the definitions of "manufacturing" and "research and development" for tax incentive programs for businesses in rural counties; amending RCW 82.60.020 and 82.62.010; creating a new section; and providing an effective date.

Referred to Committee on Finance.

SSB 5046 by Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Kohl-Welles, Keiser, Kline and Franklin)

AN ACT Relating to placing symphony musicians under the jurisdiction of the public employment relations commission for purposes of collective bargaining; and adding a new chapter to Title 49 RCW.

Referred to Committee on Commerce & Labor.

ESSB 5543 by Senate Committee on Environment, Water & Energy (originally sponsored by Senators Pridemore, Oemig, Rockefeller, Fairley, Murray, Kline, Keiser, Shin, Regala, Franklin, McAuliffe, Fraser, Ranker and Kohl-Welles)

AN ACT Relating to mercury reduction; amending RCW 70.95M.010 and 70.95M.050; adding a new chapter to Title 70 RCW; and prescribing penalties.

Referred to Committee on Environmental Health.

ESSB 6051 by Senate Committee on Ways & Means (originally sponsored by Senators Murray, Pflug, Kohl-Welles, McAuliffe, Jarrett, Eide, Kline, Fairley, Jacobsen and McDermott)

AN ACT Relating to removing an expiration date applicable to heritage and arts program funding; lodging taxes; and amending RCW 67.28.180.

Referred to Committee on Finance.

SSB 6202 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Holmquist, Franklin, Honeyford, McCaslin, Regala, Morton, Keiser, Delvin, Swecker, Rockefeller, Tom, Kline, McAuliffe and Kilmer)

AN ACT Relating to vulnerable adults; amending RCW 30.22.210 and 74.34.035; and adding a new section to chapter 74.34 RCW.

Referred to Committee on Public Safety & Emergency Preparedness.

ESSB 6241 by Senate Committee on Economic Development, Trade & Innovation (originally sponsored by Senators Kilmer and Delvin)

AN ACT Relating to creating community facilities districts; and adding a new chapter to Title 36 RCW.

Referred to Committee on Community & Economic Development & Trade.

ESSB 6244 by Senate Committee on Environment, Water & Energy (originally sponsored by Senators Fraser, Rockefeller, Marr, Ranker, Pridemore, Kohl-Welles, Shin and Kline)

AN ACT Relating to defining a green home and an energy efficient home; adding a new section to chapter 19.27 RCW; and creating a new section.

Referred to Committee on Technology, Energy & Communications.

SSB 6280 by Senate Committee on Health & Long-Term Care (originally sponsored by Senators Murray, Shin, Kohl-Welles, Marr, Jacobsen and Kline)

AN ACT Relating to East Asian medicine practitioners; amending RCW 18.06.010, 18.06.020, 18.06.045, 18.06.050, 18.06.080, 18.06.120, 18.06.130, 18.06.140, 18.06.190, 4.24.240, 4.24.290, 7.70.020, 18.120.020, and 43.70.110; reenacting and amending RCW 18.130.040, 18.130.040, and 18.130.040; adding a new section to chapter 18.06 RCW; providing effective dates; and providing expiration dates.

Referred to Committee on Health Care & Wellness.

ESB 6287 by Senators Fraser and Fairley

AN ACT Relating to the disposition of existing voter-approved indebtedness at the time of annexation of a city, partial city, or town to a fire protection district; adding a new section to chapter 52.04 RCW; and declaring an emergency.

Referred to Committee on Local Government & Housing.

SB 6297 by Senator Franklin

AN ACT Relating to certification for speech-language pathology assistants; amending RCW 18.35.161; amending 2009 c 301 s 11 (uncodified); reenacting and amending RCW 18.130.040, 18.130.040, and 18.130.040; providing effective dates; and providing expiration dates.

Referred to Committee on Health Care & Wellness.

SSB 6298 by Senate Committee on Financial Institutions, Housing & Insurance (originally sponsored by Senators Berkey, Rockefeller and Kline)

AN ACT Relating to the deposit of public funds with credit unions; adding a new section to chapter 39.58 RCW; and providing an effective date.

Referred to Committee on Financial Institutions & Insurance.

SSB 6332 by Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Kohl-Welles, Haugen, Delvin, Kline, Fraser, Stevens, Shin, Fairley and Roach)

AN ACT Relating to human trafficking; amending RCW 19.320.010 and 19.320.020; adding new sections to chapter 19.320 RCW; and prescribing penalties.

Referred to Committee on Commerce & Labor.

SSB 6338 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Regala, Carrell, Hargrove, Shin and Kline)

AN ACT Relating to intermediate tenancies for persons with criminal backgrounds or substance abuse issues; amending RCW 59.18.040; and adding a new chapter to Title 59 RCW.

Referred to Committee on Judiciary.

SSB 6343 by Senate Committee on Agriculture & Rural Economic Development (originally sponsored by Senators Jacobsen, Kohl-Welles, Swecker, Haugen, Hatfield and Keiser)

AN ACT Relating to the establishment of the Washington food policy forum; adding a new chapter to Title 15 RCW; and providing an expiration date.

Referred to Committee on Agriculture & Natural Resources.

ESSB 6359 by Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Kilmer, Becker, Shin and Tom)

AN ACT Relating to promoting efficiencies including institutional coordination and partnerships in the community and technical college system; amending RCW 28B.50.020 and 28B.50.090; adding a new section to chapter 28B.50 RCW; and creating new sections.

Referred to Committee on Higher Education.

SSB 6367 by Senate Committee on Government Operations & Elections (originally sponsored by Senators Hatfield, Regala, Fairley, Fraser, Kohl-Welles and Roach)

AN ACT Relating to responses to public records requests; amending RCW 42.56.520; and creating a new section.

Referred to Committee on State Government & Tribal Affairs.

ESSB 6424 by Senate Committee on Ways & Means (originally sponsored by Senators Regala and Fairley)

AN ACT Relating to local excise tax authorities for counties and cities; amending RCW 82.14.450, 82.14.340, and 9.46.113; amending 2009 c 551 s 12 (uncodified); and providing an expiration date.

Referred to Committee on Finance.

ESB 6430 by Senators McDermott, Parlette and Tom

AN ACT Relating to ballot envelopes; amending RCW 29A.40.091; and declaring an emergency.

Referred to Committee on State Government & Tribal Affairs.

SSB 6433 by Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Honeyford, Parlette, Holmquist and Stevens)

AN ACT Relating to home inspector licensing requirements; amending RCW 18.280.020, 18.280.110, and 18.280.060; and declaring an emergency.

Referred to Committee on Commerce & Labor.

ESSB 6449 by Senate Committee on Government Operations & Elections (originally sponsored by Senators McDermott, Fairley, Keiser, Kohl-Welles and Kline)

AN ACT Relating to signature gatherers; amending RCW 42.17.020, 29A.72.110, 29A.72.120, 29A.72.130, and 29A.72.170; adding new sections to chapter 42.17 RCW; adding new sections to chapter 29A.72 RCW; creating a new section; prescribing penalties; and providing an effective date.

Referred to Committee on State Government & Tribal Affairs.

SSB 6459 by Senate Committee on Financial Institutions, Housing & Insurance (originally sponsored by Senators Hobbs, Berkey, Marr and Schoesler)

AN ACT Relating to the inspection of rental properties; amending RCW 59.18.030 and 59.18.150; adding a new section to chapter 59.18 RCW; and prescribing penalties.

Referred to Committee on Judiciary.

ESB 6462 by Senators Honeyford, Hewitt, Schoesler, Holmquist, Stevens, Morton, Delvin, King, Roach, Becker and Swecker

AN ACT Relating to firefighter duties; adding a new section to chapter 52.12 RCW; and adding a new section to chapter 4.24 RCW.

Referred to Committee on Local Government & Housing.

SB 6467 by Senators Shin, Kastama, Delvin, Hobbs, Berkey, Rockefeller, Marr, Franklin, Kohl-Welles, Roach and Kline

AN ACT Relating to honorary degrees for students who were ordered into internment camps; and amending RCW 28B.20.130, 28B.30.150, 28B.35.205, and 28B.50.140.

Referred to Committee on Higher Education.

SB 6481 by Senators Morton, Schoesler, Holmquist, Hewitt, King, Delvin and Swecker

AN ACT Relating to clarifying which local governments have jurisdiction over conversion-related forest practices; and reenacting and amending RCW 76.09.240.

Referred to Committee on Agriculture & Natural Resources.

2ESSB 6508 by Senate Committee on Government Operations & Elections (originally sponsored by Senators Fairley, Prentice, Pridemore, Kline, Rockefeller, Ranker, Tom, McDermott, Gordon and Keiser)

AN ACT Relating to wrongful death or survival actions by changing the class of persons entitled to recoveries and by limiting the liability of state and local agencies or political subdivisions in those recoveries; amending RCW 4.20.020, 4.20.046, 4.20.060, 4.24.010, and 4.22.030; creating new sections; and providing an expiration date.

Referred to Committee on Judiciary.

SSB 6521 by Senate Committee on Agriculture & Rural Economic Development (originally sponsored by Senators Haugen and Honeyford)

AN ACT Relating to retaining productive farmland; adding a new section to chapter 89.08 RCW; adding a new section to chapter 43.17 RCW; and creating a new section.

Referred to Committee on Agriculture & Natural Resources.

SB 6546 by Senator Pridemore

AN ACT Relating to membership in the public employees' retirement system; reenacting and amending RCW 41.40.023; and declaring an emergency.

Referred to Committee on Ways & Means.

SSB 6556 by Senate Committee on Agriculture & Rural Economic Development (originally sponsored by Senators Hatfield and Schoesler)

AN ACT Relating to changing fees for certain types of agricultural burning; and amending RCW 70.94.6528.

Referred to Committee on General Government Appropriations.

E2SSB 6562 by Senate Committee on Ways & Means (originally sponsored by Senators Kilmer, Tom, Delvin, Regala, Murray, Hargrove and King)

AN ACT Relating to higher education accountability and access; amending RCW 28B.15.067, 28B.15.068, 28B.15.031, 28B.15.820, and 28B.15.910; adding new sections to chapter 28B.15 RCW; adding a new section to chapter 28B.92 RCW; repealing RCW 28B.10.920, 28B.10.921, and 28B.10.922; and providing an expiration date.

Referred to Committee on Higher Education.

2SSB 6575 by Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Keiser, Kline, Franklin and McDermott)

AN ACT Relating to recommendations of the joint legislative task force on the underground economy; amending RCW 18.27.340 and 18.27.020; reenacting and amending RCW 60.28.040; adding a new section to chapter 18.27 RCW; and prescribing penalties.

Referred to Committee on Commerce & Labor.

E2SSB 6579 by Senate Committee on Ways & Means (originally sponsored by Senators Swecker, Haugen, Oemig, Rockefeller, Jacobsen, Marr, Hatfield, Eide and Fraser)

AN ACT Relating to improving the efficiency, accountability, and quality within state information systems; amending RCW 43.88.560, 43.105.041, 43.105.180, and 43.105.160; adding a new section to chapter 43.88 RCW; creating new sections; and providing an expiration date.

Referred to Committee on Technology, Energy & Communications.

ESSB 6621 by Senate Committee on Transportation (originally sponsored by Senators Delvin, Haugen, Tom, Brandland, Prentice, Marr, Shin, Hewitt and Roach)

AN ACT Relating to transferring service credit and contributions into the Washington state patrol retirement system by members who served as communications officers or commercial vehicle enforcement officers and who became commissioned officers in the Washington state patrol prior to July 1, 2000; and adding a new section to chapter 41.40 RCW.

Referred to Committee on Ways & Means.

SSB 6639 by Senate Committee on Human Services & Corrections (originally sponsored by Senators Brown, Stevens, Gordon and Shin)

AN ACT Relating to creating alternatives to total confinement for nonviolent offenders with minor children; amending RCW 9.94A.030, 9.94A.501, 9.94A.505, 9.94A.701, 9.94A.734, 9.94A.190, 9.94A.6332, and 9.94A.633; reenacting and amending RCW 9.94A.728; and adding new sections to chapter 9.94A RCW.

Referred to Committee on Human Services.

ESSB 6656 by Senate Committee on Environment, Water & Energy (originally sponsored by Senators Murray, Rockefeller, Fraser and Shin)

AN ACT Relating to implementing a pilot program for energy conservation services for cities and towns located wholly within the electric service territories of Tacoma public utilities, Seattle city light, and Puget Sound energy; amending RCW 35.92.070; adding a new chapter to Title 35 RCW; and providing an expiration date.

Referred to Committee on Technology, Energy & Communications.

SSB 6686 by Senate Committee on Judiciary (originally sponsored by Senators Gordon, McCaslin, Kline, Regala, Kohl-Welles, Delvin, Tom and Shin)

AN ACT Relating to municipal court judges and commissioners; amending RCW 3.50.040, 3.50.050, 3.50.057, and 3.50.075; adding new sections to chapter 3.50 RCW; and repealing RCW 3.50.055 and 3.50.070.

Referred to Committee on Judiciary.

SSB 6698 by Senate Committee on Health & Long-Term Care (originally sponsored by Senators Keiser, Marr, Murray, Fairley and Kohl-Welles)

AN ACT Relating to the acquisition of nonprofit hospitals; and amending RCW 70.45.100 and 70.45.080.

Referred to Committee on Health Care & Wellness.

ESSB 6724 by Senate Committee on Government Operations & Elections (originally sponsored by Senators Kilmer, Kauffman, Eide, Berkey, Murray, Shin and Keiser)

AN ACT Relating to the leave sharing program; amending RCW 41.04.665; and declaring an emergency.

Referred to Committee on State Government & Tribal Affairs.

ESSB 6726 by Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Marr, Kohl-Welles, Ranker, Murray, McDermott, Keiser, Prentice, Kauffman, Kline, Kilmer, Fraser and Pridemore)

AN ACT Relating to making the governor the public employer of language access providers; amending RCW 41.56.030, 41.56.113, 41.04.810, 43.01.047, and 74.04.025; adding a new section to chapter 41.56 RCW; and creating new sections.

Referred to Committee on Commerce & Labor.

ESSB 6733 by Senate Committee on Human Services & Corrections (originally sponsored by Senator King)

AN ACT Relating to allocating responsibility for court-related costs of involuntary commitment proceedings; creating a new section; and providing an expiration date.

Referred to Committee on Human Services.

ESSB 6737 by Senate Committee on Ways & Means (originally sponsored by Senators Marr, Brown and McCaslin)

AN ACT Relating to providing an exemption from property tax for aircraft used to provide air ambulance services; amending RCW 82.48.100; and adding a new section to chapter 84.36 RCW.

Referred to Committee on Finance.

ESB 6754 by Senators McDermott, Fairley, Kohl-Welles and Kline

AN ACT Relating to signature petitions; and amending RCW 29A.72.230 and 29A.72.140.

Referred to Committee on State Government & Tribal Affairs.

SSB 6759 by Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Kauffman, Oemig, Prentice and Kline)

AN ACT Relating to a plan for a voluntary program of early learning; amending RCW 43.215.090 and 28A.290.010; creating new sections; and declaring an emergency.

Referred to Committee on Early Learning & Children's Services.

ESSB 6778 by Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators McAuliffe, Shin, Kauffman and Kline)

AN ACT Relating to establishing an alternative route to a high school diploma; amending RCW 28A.230.120, 28A.655.061, 28A.655.0611, and 28A.155.045; reenacting and amending RCW 28A.230.090; adding a new section to chapter 28A.230 RCW; and creating a new section.

Referred to Committee on Education.

SSB 6788 by Senate Committee on Judiciary (originally sponsored by Senators Brown, Morton, Delvin and Marr)

AN ACT Relating to dissolving the assets and affairs of a nonprofit corporation; adding new sections to chapter 24.03 RCW; creating a new section; repealing RCW 24.03.265, 24.03.270, and 24.03.290; and declaring an emergency.

Referred to Committee on Judiciary.

SSB 6816 by Senate Committee on Agriculture & Rural Economic Development (originally sponsored by Senator Schoesler)

AN ACT Relating to special permitting for certain farm implements; and creating a new section.

Referred to Committee on Transportation.

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

## REPORTS OF STANDING COMMITTEES

February 13, 2010

ESSB 6130 Prime Sponsor, Committee on Ways & Means: Amending provisions related to Initiative Measure No. 960. Reported by Committee on Finance

MAJORITY recommendation: Do pass as amended.

On page 1, beginning on line 11, strike all of section 2  
Renumber the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Signed by Representatives Hunter, Chair; Hasegawa, Vice Chair; Conway; Ericks; Santos and Springer.



MINORITY recommendation: Do not pass. Signed by Representatives Orcutt, Ranking Minority Member; Parker, Assistant Ranking Minority Member and Condotta.

There being no objection, ENGROSSED SUBSTITUTE SENATE BILL NO. 6130 was placed on the second reading calendar.

### MOTION

Representative Ericksen moved to indefinitely postpone consideration of ENGROSSED SUBSTITUTE SENATE BILL NO. 6130

Representatives Ericksen, DeBolt, Orcutt, Herrera, Dammeier, Roach, Kristiansen, Haler, Armstrong, Hinkle, Short, Schmick, Parker, Pearson, Angel, Kretz, McCune, Klippert, Walsh, Hope Rodne, Campbell, Shea, Warnick, Johnson Taylor, Priest, Anderson, Nealey, Fagan, Alexander Bailey Chandler and Ross spoke in favor of the adoption of the motion.

Representatives Kessler, Hunter, Haigh, Simpson, Sullivan, Dickerson, Van De Wege, Springer, Santos, Flannigan, Cody, Appleton, Darneille, Pettigrew, Lias, Probst and Linville spoke against the adoption of the motion.

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of the motion to indefinitely postpone consideration of Engrossed Substitute Senate Bill No. 6130.

An electronic roll call was requested

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of the motion to indefinitely postpone consideration of Engrossed Substitute Senate Bill No. 6130.

### ROLL CALL

The Clerk called the roll on the adoption of the motion to indefinitely postpone consideration of Engrossed Substitute Senate Bill No. 6130 and the motion was not adopted by the following vote: Yeas, 46; Nays, 52; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Fagan, Finn, Haler, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Miloscia, Morrell, Nealey, Orcutt, Parker, Pearson, Priest, Probst, Roach, Rodne, Ross, Schmick, Seaquist, Shea, Short, Smith, Taylor, Wallace, Walsh and Warnick.

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Flannigan, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Lias, Linville, Maxwell, McCoy, Moeller, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, White, Williams, Wood and Mr. Speaker.

The motion was not adopted.

### SECOND READING

**ENGROSSED SUBSTITUTE SENATE BILL NO. 6130, by Senate Committee on Ways & Means (originally sponsored by Senator Prentice)**

**Relating to fiscal matters. Revised for 1st Substitute: Amending provisions related to Initiative Measure No. 960.**

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Finance was adopted. (For Committee amendment, see Journal, Day 37, February 13, 2010.)

Representative Herrera moved the adoption of amendment (1228)

Beginning on page 5, line 11, strike all of section 4  
Renummer the remaining section consecutively and correct any internal references accordingly.  
Correct the title.

Representatives Herrera and Ericksen spoke in favor of the adoption of the amendment.

Representative Hunter spoke against the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (1228) to Engrossed Substitute Senate Bill No. 6130.

### ROLL CALL

The Clerk called the roll on the adoption of amendment (1228) to Engrossed Substitute Senate Bill No. 6130 and the amendment failed by the following vote: Yeas, 44; Nays, 54; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Fagan, Haler, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Miloscia, Morrell, Nealey, Orcutt, Parker, Pearson, Priest, Probst, Roach, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Wallace, Walsh and Warnick.

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Finn, Flannigan, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Lias, Linville, Maxwell, McCoy, Moeller, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Seaquist, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, White, Williams, Wood and Mr. Speaker.

Amendment (1228) was not adopted.

Representative Orcutt moved the adoption of amendment (1230).

On page 6, after line 6, insert the following:  
"Sec. 5. RCW 29A.32.070 and 2009 c 415 s 5 are each reenacted and amended to read as follows:

The secretary of state shall determine the format and layout of the voters' pamphlet published under RCW 29A.32.010. The secretary of state shall print the pamphlet in clear, readable type on

a size, quality, and weight of paper that in the judgment of the secretary of state best serves the voters. The pamphlet must contain a table of contents. Measures and arguments must be printed in the order specified by RCW 29A.72.290.

The voters' pamphlet must provide the following information for each statewide issue on the ballot except measures for an advisory vote of the people whose requirements are provided in subsection (11) of this section:

- (1) The legal identification of the measure by serial designation or number;
- (2) The official ballot title of the measure;
- (3) A statement prepared by the attorney general explaining the law as it presently exists;
- (4) A statement prepared by the attorney general explaining the effect of the proposed measure if it becomes law;
- (5) The fiscal impact statement prepared under RCW 29A.72.025;
- (6) The total number of votes cast for and against the measure in the senate and house of representatives, if the measure has been passed by the legislature;
- (7) An argument advocating the voters' approval of the measure together with any statement in rebuttal of the opposing argument;
- (8) An argument advocating the voters' rejection of the measure together with any statement in rebuttal of the opposing argument;
- (9) Each argument or rebuttal statement must be followed by the names of the committee members who submitted them, and may be followed by a telephone number that citizens may call to obtain information on the ballot measure;
- (10) The full text of the measure;
- (11) Two pages shall be provided in the general election voters' pamphlet for each ~~((measure for an advisory vote of the people under RCW 43.135.041))~~ legislative action raising taxes as defined by RCW 43.135.035 and shall consist of ~~((the serial number assigned by the secretary of state under RCW 29A.72.040, the))~~ a short description formulated by the attorney general ~~((under RCW 29A.72.283))~~, the tax increase's most up-to-date ten-year cost projection, including a year-by-year breakdown, by the office of financial management under RCW 43.135.031, and the names of the legislators, and their contact information, and how they voted on the increase upon final passage so they can provide information to, and answer questions from, the public. For the purposes of this subsection, "names of legislators, and their contact information" includes each legislator's position (senator or representative), first name, last name, party affiliation (for example, Democrat or Republican), city or town they live in, office phone number, and office e-mail address.

**NEW SECTION. Sec. 6.** Section 5 of this act expires July 1, 2011."

Re-number the remaining section consecutively and correct any internal references accordingly.

Correct the title.

Representative Orcutt spoke in favor of the adoption of the amendment.

Representative Hunter spoke against the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (1230) to Engrossed Substitute Senate Bill No. 6130.

## ROLL CALL

The Clerk called the roll on the adoption of amendment (1230) to Engrossed Substitute Senate Bill No. 6130 and the amendment failed by the following vote: Yeas, 46; Nays, 52; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Fagan, Halder, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Miloscia, Morrell, Nealey, Orcutt, Parker, Pearson, Priest, Probst, Roach, Rodne, Ross, Schmick, Seaquist, Shea, Short, Smith, Sullivan, Taylor, Wallace, Walsh and Warnick.

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Finn, Flannigan, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Lias, Linville, Maxwell, McCoy, Moeller, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Sells, Simpson, Springer, Takko, Upthegrove, Van De Wege, White, Williams, Wood and Mr. Speaker.

Amendment (1230) was not adopted.

Representative Bailey moved the adoption of amendment (1227).

On page 6, beginning on line 7, strike all of section 5  
Correct the title.

Representative Bailey spoke in favor of the adoption of the amendment.

Representative Hunter spoke against the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (1227) to Engrossed Substitute Senate Bill No. 6130.

## ROLL CALL

The Clerk called the roll on the adoption of amendment (1227) to Engrossed Substitute Senate Bill No. 6130 and the amendment failed by the following vote: Yeas, 45; Nays, 53; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Fagan, Finn, Halder, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Miloscia, Morrell, Nealey, Orcutt, Parker, Pearson, Priest, Probst, Roach, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Wallace, Walsh and Warnick.

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy, Ericks, Flannigan, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Lias, Linville, Maxwell, McCoy, Moeller, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Seaquist, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, White, Williams, Wood and Mr. Speaker.

Amendment (1227) was not adopted.

Representative Orcutt moved the adoption of amendment (1229).

On page 6, after line 6, strike all of section 5 and insert the following:

**"NEW SECTION. Sec. 5.** The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation."

Correct the title.

Representative Orcutt spoke in favor of the adoption of the amendment.

Representative Hunter spoke against the adoption of the amendment.

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be the adoption of amendment (1229) to Engrossed Substitute Senate Bill No. 6130.

### ROLL CALL

The Clerk called the roll on the adoption of amendment (1229) to Engrossed Substitute Senate Bill No. 6130 and the amendment failed by the following vote: Yeas, 46; Nays, 52; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Armstrong, Bailey, Campbell, Chandler, Condotta, Crouse, Dammeier, DeBolt, Driscoll, Ericksen, Fagan, Finn, Haler, Herrera, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Miloscia, Morrell, Nealey, Orcutt, Parker, Pearson, Priest, Probst, Roach, Rodne, Ross, Schmick, Seaquist, Shea, Short, Smith, Taylor, Wallace, Walsh and Warnick.

Voting nay: Representatives Appleton, Blake, Carlyle, Chase, Clibborn, Cody, Conway, Darneille, Dickerson, Dunshee, Eddy,

Ericks, Flannigan, Goodman, Green, Haigh, Hasegawa, Hudgins, Hunt, Hunter, Jacks, Kagi, Kenney, Kessler, Kirby, Liias, Linville, Maxwell, McCoy, Moeller, Morris, Nelson, O'Brien, Ormsby, Orwall, Pedersen, Pettigrew, Quall, Roberts, Rolfes, Santos, Sells, Simpson, Springer, Sullivan, Takko, Upthegrove, Van De Wege, White, Williams, Wood and Mr. Speaker.

Amendment (1229) was not adopted.

There being no objection, the rules were suspended and Engrossed Substitute Senate Bill No. 6130 was placed on third reading. There being no objection, action was deferred on Engrossed Substitute Senate Bill No. 6130 and the bill held its place on the third reading calendar.

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

There being no objection, the House adjourned until 10:00 a.m., February 17, 2010, the 38th Day of the Regular Session.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

1597-S	Second Reading.....	11
1597-S2	Second Reading.....	11
	Amendment Offered.....	11
	Third Reading Final Passage.....	11
2424	Second Reading.....	16
	Second Reading.....	16
	Amendment Offered.....	16
	Third Reading Final Passage.....	16
2701	Second Reading.....	18
	Third Reading Final Passage.....	18
2752	Second Reading.....	16
2752-S	Second Reading.....	16
	Amendment Offered.....	16
	Third Reading Final Passage.....	17
2823	Second Reading.....	17
	Third Reading Final Passage.....	17
2882	Second Reading.....	15
2882-S2	Second Reading.....	15
	Third Reading Final Passage.....	16
2912	Second Reading.....	2, 10
2912-S	Second Reading.....	2
	Amendment Offered.....	2, 10
	Third Reading Final Passage.....	3, 11
	Other Action.....	10
2925	Second Reading.....	4
2925-S	Second Reading.....	4
	Amendment Offered.....	4
	Third Reading Final Passage.....	5
2989	Second Reading.....	18
	Third Reading Final Passage.....	18
3040	Second Reading.....	11
3040-S	Second Reading.....	12
	Amendment Offered.....	12
	Third Reading Final Passage.....	15
3168	Second Reading.....	17
	Amendment Offered.....	17
	Third Reading Final Passage.....	18
3179	Second Reading.....	5
3179-S	Second Reading.....	5
	Amendment Offered.....	5
	Third Reading Final Passage.....	10
3188	Introduction & 1st Reading.....	18
3189	Introduction & 1st Reading.....	2
5046-S	Introduction & 1st Reading.....	18

Messages .....	1
5237-S	
Messages .....	10
5543-S	
Introduction & 1st Reading .....	18
Messages .....	1
6051-S	
Introduction & 1st Reading .....	19
Messages .....	1
6130-S	
Committee Report .....	22
Second Reading .....	23
Amendment Offered .....	23
Third Reading .....	25
Other Action .....	22
6202-S	
Introduction & 1st Reading .....	19
Messages .....	1
6241-S	
Introduction & 1st Reading .....	19
Messages .....	1
6244-S	
Introduction & 1st Reading .....	19
Messages .....	1
6251-S	
Messages .....	10
6280-S	
Introduction & 1st Reading .....	19
Messages .....	1
6287	
Introduction & 1st Reading .....	19
Messages .....	1
6297	
Introduction & 1st Reading .....	19
Messages .....	1
6298-S	
Introduction & 1st Reading .....	19
Messages .....	1
6309-S	
Messages .....	10
6332-S	
Introduction & 1st Reading .....	19
Messages .....	1
6337-S	
Messages .....	10
6338-S	
Introduction & 1st Reading .....	19
Messages .....	1
6343-S	
Introduction & 1st Reading .....	19
Messages .....	1
6349-S	
Messages .....	10
6359-S	
Introduction & 1st Reading .....	19
Messages .....	1
6367-S	
Introduction & 1st Reading .....	20
Messages .....	1
6395-S	
Messages .....	10
6398-S	
Messages .....	10
6424-S	
Introduction & 1st Reading .....	20
Messages .....	2

6430		
	Introduction & 1st Reading .....	20
	Messages .....	1
6433-S		
	Introduction & 1st Reading .....	20
	Messages .....	1
6449-S		
	Introduction & 1st Reading .....	20
	Messages .....	2
6453		
	Messages .....	10
6459-S		
	Introduction & 1st Reading .....	20
	Messages .....	1
6462		
	Introduction & 1st Reading .....	20
	Messages .....	1
6467		
	Introduction & 1st Reading .....	20
	Messages .....	1
6470-S		
	Messages .....	10
6481		
	Introduction & 1st Reading .....	20
	Messages .....	1
6508-S		
	Introduction & 1st Reading .....	20
	Messages .....	1
6521-S		
	Introduction & 1st Reading .....	20
	Messages .....	1
6538-S		
	Messages .....	10
6544-S		
	Messages .....	10
6546		
	Introduction & 1st Reading .....	20
	Messages .....	1
6556-S		
	Introduction & 1st Reading .....	21
	Messages .....	1
6562-S2		
	Introduction & 1st Reading .....	21
	Messages .....	2
6575-S2		
	Introduction & 1st Reading .....	21
	Messages .....	1
6579-S2		
	Introduction & 1st Reading .....	21
	Messages .....	1
6590-S		
	Messages .....	10
6621-S		
	Introduction & 1st Reading .....	21
	Messages .....	1
6634-S		
	Messages .....	10
6639-S		
	Introduction & 1st Reading .....	21
	Messages .....	1
6644-S		
	Messages .....	10
6656-S		
	Introduction & 1st Reading .....	21
	Messages .....	1
6658-S		

Messages .....	10
6686-S	
Introduction & 1st Reading .....	21
Messages .....	1
6698-S	
Introduction & 1st Reading .....	21
Messages .....	1
6724-S	
Introduction & 1st Reading .....	21
Messages .....	1
6726-S	
Introduction & 1st Reading .....	21
Messages .....	2
6727-S	
Messages .....	1
6733-S	
Introduction & 1st Reading .....	22
Messages .....	1
6737-S	
Introduction & 1st Reading .....	22
Messages .....	2
6749-S	
Messages .....	10
6754	
Introduction & 1st Reading .....	22
Messages .....	1
6759-S	
Introduction & 1st Reading .....	22
Messages .....	1
6776	
Messages .....	10
6778-S	
Introduction & 1st Reading .....	22
Messages .....	1
6788-S	
Introduction & 1st Reading .....	22
Messages .....	1
6816-S	
Introduction & 1st Reading .....	22
Messages .....	1
HOUSE OF REPRESENTATIVES	
Point of Personal Privilege	
Representative Ericksen .....	18
HOUSE OF REPRESENTATIVES (Representative Morris presiding)	
Statement for the Journal Representative Ericks .....	3