

2001
SESSION LAWS
OF THE
STATE OF WASHINGTON

REGULAR SESSION
FIFTY-SEVENTH LEGISLATURE
Convened January 8, 2001. Adjourned April 22, 2001.

FIRST SPECIAL SESSION
FIFTY-SEVENTH LEGISLATURE
Convened April 25, 2001. Adjourned May 24, 2001.

SECOND SPECIAL SESSION
FIFTY-SEVENTH LEGISLATURE
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THIRD SPECIAL SESSION
FIFTY-SEVENTH LEGISLATURE
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WASHINGTON SESSION LAWS GENERAL INFORMATION

1. EDITIONS AVAILABLE.

- (a) *General Information.* The session laws are printed successively in two editions:
- (i) a temporary pamphlet edition consisting of a series of one or more paper bound books, which are published as soon as possible following the session, at random dates as accumulated; followed by
 - (ii) a permanent hardbound edition containing the accumulation of all laws adopted in the legislative session. Both editions contain a subject index and tables indicating Revised Code of Washington sections affected.
- (b) *Where and how obtained—price.* Both the temporary and permanent session laws may be ordered from the Statute Law Committee, Legislative Building, P.O. Box 40552, Olympia, Washington 98504-0552. The temporary pamphlet edition costs \$21.60 per set (\$20.00 plus \$1.60 for state and local sales tax at 8.0%). The permanent edition costs \$54.00 per set (\$25.00 per volume plus \$4.00 for state and local sales tax at 8.0%). All orders must be accompanied by payment.

2. PRINTING STYLE — INDICATION OF NEW OR DELETED MATTER

Both editions of the session laws present the laws in the form in which they were enacted by the legislature. This style quickly and graphically portrays the current changes to existing law as follows:

- (a) In amendatory sections
- (i) underlined matter is new matter.
 - (ii) deleted matter is (~~lined out and bracketed between double parentheses~~).
- (b) Complete new sections are prefaced by the words NEW SECTION.

3. PARTIAL VETOES

- (a) Vetoed matter is *printed in bold italics*.
- (b) Pertinent excerpts of the governor's explanation of partial vetoes are printed at the end of the chapter concerned.

4. EDITORIAL CORRECTIONS. Words and clauses inserted in the session laws under the authority of RCW 44.20.060 are enclosed in [brackets].

5. EFFECTIVE DATE OF LAWS

- (a) The state Constitution provides that unless otherwise qualified, the laws of any session take effect ninety days after adjournment sine die. The Secretary of State has determined the pertinent date for the Laws of the 2001 regular session to be July 22, 2001 (midnight July 21st). The pertinent date for the Laws of the 2001 first special session is August 23, 2001 (midnight August 22nd). The pertinent date for the Laws of the second special session of 2001 is September 20, 2001 (midnight September 19th). No laws were enacted in the third special session of 2001.
- (b) Laws that carry an emergency clause take effect immediately upon approval by the Governor.
- (c) Laws that prescribe an effective date take effect upon that date.

6. INDEX AND TABLES

A cumulative index and tables of all 2001 laws may be found at the back of the final pamphlet edition and the permanent hardbound edition.

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CHAPTER 238

[Substitute Senate Bill 5182]

PIPELINE SAFETY—FUNDING

AN ACT Relating to funding hazardous liquid and gas pipeline safety; amending RCW 19.122.055, 81.88.010, 81.88.050, 80.01.080, 81.88.060, 81.88.090, and 81.88.140; adding a new section to chapter 80.24 RCW; adding a new section to chapter 81.24 RCW; adding a new section to chapter 81.88 RCW; creating a new section; repealing RCW 81.88.130; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The intent of this act is to ensure a sustainable, comprehensive, pipeline safety program, to protect the health and safety of the citizens of the state of Washington, and maintain the quality of the state's environment. The legislature finds that public safety and the environment are best protected by securing permanent funding for this program through establishment of a regulatory fee imposed on hazardous liquids and gas pipelines.

NEW SECTION. Sec. 2. A new section is added to chapter 80.24 RCW to read as follows:

(1)(a) Every gas company and every interstate gas pipeline company subject to inspection or enforcement by the commission shall pay an annual pipeline safety fee to the commission. The pipeline safety fees received by the commission shall be deposited in the pipeline safety account created in RCW 81.88.050.

(b) The aggregate amount of fees set shall be sufficient to recover the reasonable costs of administering the pipeline safety program, taking into account federal funds used to offset the costs. The fees established under this section shall be designed to generate revenue not exceeding appropriated levels of funding for the current fiscal year. At a minimum, the fees established under this section shall be sufficient to adequately fund pipeline inspection personnel, the timely review of pipeline safety and integrity plans, the timely development of spill response plans, the timely development of accurate maps of pipeline locations, participation in federal pipeline safety efforts to the extent allowed by law, and the staffing of the citizens committee on pipeline safety.

(c) Increases in the aggregate amount of fees over the immediately preceding fiscal year are subject to the requirements of RCW 43.135.055.

(2) The commission shall by rule establish the methodology it will use to set the appropriate fee for each entity subject to this section. The methodology shall provide for an equitable distribution of program costs among all entities subject to the fee. The fee methodology shall provide for:

(a) Direct assignment of average costs associated with annual standard inspections, including the average number of inspection days per year. In establishing these directly assignable costs, the commission shall consider the requirements and guidelines of the federal government, state safety standards, and good engineering practice; and

(b) A uniform and equitable means of estimating and allocating costs of other duties relating to inspecting pipelines for safety that are not directly assignable,

including but not limited to design review and construction inspections, specialized inspections, incident investigations, geographic mapping system design and maintenance, and administrative support.

(3) The commission shall require reports from those entities subject to this section in the form and at such time as necessary to set the fees. After considering the reports supplied by the entities, the commission shall set the amount of the fee payable by each entity by general order entered before July 1st of each year.

(4) For companies subject to RCW 80.24.010, the commission shall collect the pipeline safety fee as part of the fee specified in RCW 80.24.010. The commission shall allocate the moneys collected under RCW 80.24.010 between the pipeline safety program and for other regulatory purposes. The commission shall adopt rules that assure that fee moneys related to the pipeline safety program are maintained separately from other moneys collected by the commission under this chapter.

(5) Any payment of the fee imposed by this section made after its due date must include a late fee of two percent of the amount due. Delinquent fees accrue interest at the rate of one percent per month.

(6) The commission shall keep accurate records of the costs incurred in administering its gas pipeline safety program, and the records are open to inspection by interested parties. The records and data upon which the commission's determination is made shall be prima facie correct in any proceeding to challenge the reasonableness or correctness of any order of the commission fixing fees and distributing regulatory expenses.

(7) If any entity seeks to contest the imposition of a fee imposed under this section, that entity shall pay the fee and request a refund within six months of the due date for the payment by filing a petition for a refund with the commission. The commission shall establish by rule procedures for handling refund petitions and may delegate the decisions on refund petitions to the secretary of the commission.

(8) After establishing the fee methodology by rule as required in subsection (2) of this section, the commission shall create a regulatory incentive program for pipeline safety programs in collaboration with the citizens committee on pipeline safety. The regulatory incentive program created by the commission shall not shift costs among companies paying pipeline safety fees and shall not decrease revenue to pipeline safety programs. The regulatory incentive program shall not be implemented until after the review conducted according to section 4 of this act.

NEW SECTION. Sec. 3. A new section is added to chapter 81.24 RCW to read as follows:

(1)(a) Every hazardous liquid pipeline company as defined in RCW 81.88.010 shall pay an annual pipeline safety fee to the commission. The pipeline safety fees received by the commission shall be deposited in the pipeline safety account created in RCW 81.88.050.

(b) The aggregate amount of fees set shall be sufficient to recover the reasonable costs of administering the pipeline safety program, taking into account

federal funds used to offset the costs. The fees established under this section shall be designed to generate revenue not exceeding appropriated levels of funding for the current fiscal year. As a minimum, the fees established under this section shall be sufficient to adequately fund pipeline inspection personnel, the timely review of pipeline safety and integrity plans, the timely development of spill response plans, the timely development of accurate maps of pipeline locations, participation in federal pipeline safety efforts to the extent allowed by law, and the staffing of the citizens committee on pipeline safety.

(c) Increases in the aggregate amount of fees over the immediately preceding fiscal year are subject to the requirements of RCW 43.135.055.

(2) The commission shall by rule establish the methodology it will use to set the appropriate fee for each entity subject to this section. The methodology shall provide for an equitable distribution of program costs among all entities subject to the fee. The fee methodology shall provide for:

(a) Direct assignment of average costs associated with annual standard inspections, including the average number of inspection days per year. In establishing these directly assignable costs, the commission shall consider the requirements and guidelines of the federal government, state safety standards, and good engineering practice; and

(b) A uniform and equitable means of estimating and allocating costs of other duties relating to inspecting pipelines for safety that are not directly assignable, including but not limited to design review and construction inspections, specialized inspections, incident investigations, geographic mapping system design and maintenance, and administrative support.

(3) The commission shall require reports from those entities subject to this section in the form and at such time as necessary to set the fees. After considering the reports supplied by the entities, the commission shall set the amount of the fee payable by each entity by general order entered before July 1st of each year.

(4) For companies subject to RCW 81.24.010, the commission shall collect the pipeline safety fee as part of the fee specified in RCW 81.24.010. The commission shall allocate the moneys collected under RCW 81.24.010 between the pipeline safety program and for other regulatory purposes. The commission shall adopt rules that assure that fee moneys related to the pipeline safety program are maintained separately from other moneys collected by the commission under this chapter.

(5) Any payment of the fee imposed by this section made after its due date must include a late fee of two percent of the amount due. Delinquent fees accrue interest at the rate of one percent per month.

(6) The commission shall keep accurate records of the costs incurred in administering its hazardous liquid pipeline safety program, and the records are open to inspection by interested parties. The records and data upon which the commission's determination is made shall be prima facie correct in any proceeding

to challenge the reasonableness or correctness of any order of the commission fixing fees and distributing regulatory expenses.

(7) If any entity seeks to contest the imposition of a fee imposed under this section, that entity shall pay the fee and request a refund within six months of the due date for the payment by filing a petition for a refund with the commission. The commission shall establish by rule procedures for handling refund petitions and may delegate the decisions on refund petitions to the secretary of the commission.

(8) After establishing the fee methodology by rule as required in subsection (2) of this section, the commission shall create a regulatory incentive program for pipeline safety programs in collaboration with the citizens committee on pipeline safety. The regulatory incentive program created by the commission shall not shift costs among companies paying pipeline safety fees and shall not decrease revenue to pipeline safety programs. The regulatory incentive program shall not be implemented until after the review conducted according to section 4 of this act.

NEW SECTION. Sec. 4. A new section is added to chapter 81.88 RCW to read as follows:

The joint legislative audit and review committee shall review staff use, inspection activity, fee methodology, and costs of the hazardous liquid and gas pipeline safety programs and report to the appropriate legislative committees by July 1, 2003. The report shall include a comparison of interstate and intrastate programs, including but not limited to the number and complexity of regular and specialized inspections, mapping requirements for each program, and allocation of administrative costs to each program.

Sec. 5. RCW 19.122.055 and 2000 c 191 s 24 are each amended to read as follows:

(1) Any person who fails to notify the one-number locator service and causes damage to a hazardous liquid or gas pipeline is subject to a civil penalty of not more than ten thousand dollars for each violation.

(2) All civil penalties recovered under this section (~~relating to hazardous liquid pipelines~~) shall be deposited into the (~~hazardous liquid~~) pipeline safety account created in RCW 81.88.050. (~~All civil penalties recovered under this section relating to gas pipelines shall be deposited in the general fund and expended for the purpose of enforcement of gas pipeline safety laws.~~)

Sec. 6. RCW 81.88.010 and 2000 c 191 s 2 are each amended to read as follows:

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

(1) "Commission" means the utilities and transportation commission.

(2) (~~"Department" means the department of ecology.~~

~~(3))~~ "Failsafe" means a design feature that will maintain or result in a safe condition in the event of malfunction or failure of a power supply, component, or control device.

~~((4))~~ (3) "Gas" means natural gas, flammable gas, or toxic or corrosive gas.

~~((5))~~ (4) "Gas pipeline" means all parts of a pipeline facility through which gas moves in transportation, including, but not limited to, line pipe, valves, and other appurtenances connected to line pipe, pumping units, fabricated assemblies associated with pumping units, metering and delivery stations and fabricated assemblies therein, and breakout tanks. "Gas pipeline" does not include process or transfer pipelines.

~~((6))~~ (5) "Gas pipeline company" means a person or entity constructing, owning, or operating a gas pipeline for transporting gas. A "gas pipeline company" does not include: (a) Distribution systems owned and operated under franchise for the sale, delivery, or distribution of natural gas at retail; or (b) excavation contractors or other contractors that contract with a gas pipeline company.

~~((7))~~ (6) "Hazardous liquid" means: (a) Petroleum, petroleum products, or anhydrous ammonia as those terms are defined in 49 C.F.R. Part 195 in effect March 1, 1998; and (b) carbon dioxide.

~~((8))~~ (7) "Local government" means a political subdivision of the state or a city or town.

~~((9))~~ (8) "Person" means an individual, partnership, franchise holder, association, corporation, a state, a city, a county, or any political subdivision or instrumentality of a state, and its employees, agents, or legal representatives.

~~((10))~~ (9) "Pipeline," "pipeline system," or "hazardous liquid pipeline" means all parts of a pipeline facility through which a hazardous liquid moves in transportation, including, but not limited to, line pipe, valves, and other appurtenances connected to line pipe, pumping units, fabricated assemblies associated with pumping units, metering and delivery stations and fabricated assemblies therein, and breakout tanks. "Pipeline" or "pipeline system" does not include process or transfer pipelines.

~~((11))~~ (10) "Pipeline company" or "hazardous liquid pipeline company" means a person or entity constructing, owning, or operating a pipeline for transporting hazardous liquid. A "pipeline company" does not include: (a) Distribution systems owned and operated under franchise for the sale, delivery, or distribution of natural gas at retail; or (b) excavation contractors or other contractors that contract with a pipeline company.

~~((12))~~ (11) "Reportable release" means a spilling, leaking, pouring, emitting, discharging, or any other uncontrolled escape of a hazardous liquid in excess of one barrel, or forty-two gallons.

~~((13))~~ (12) "Safety management systems" means management systems that include coordinated and interdisciplinary evaluations of the effect of significant changes to a pipeline system before such changes are implemented.

~~((14))~~ (13) "Transfer pipeline" means a buried or aboveground pipeline used to carry oil between a tank vessel or transmission pipeline and the first valve inside secondary containment at the facility provided that any discharge on the facility side of that first valve will not directly impact waters of the state. A transfer

pipeline includes valves, and other appurtenances connected to the pipeline, pumping units, and fabricated assemblies associated with pumping units. A transfer pipeline does not include process pipelines, pipelines carrying ballast or bilge water, transmission pipelines, or tank vessel or storage tanks.

~~((15))~~ (14) "Transmission pipeline" means a gas pipeline that transports gas within a storage field, or transports gas from an interstate pipeline or storage facility to a distribution main or a large volume gas user, or operates at a hoop stress of twenty percent or more of the specified minimum yield strength.

Sec. 7. RCW 81.88.050 and 2000 c 191 s 4 are each amended to read as follows:

(1) The ~~((hazardous liquid))~~ pipeline safety account is created in the custody of the state treasurer. All fees received by the commission for the pipeline safety program according to sections 2 and 3 of this act and all receipts from the federal office of pipeline safety and any other state or federal funds provided for ~~((hazardous liquid))~~ pipeline safety ~~((must))~~ shall be deposited in the account, except as provided in subsection (2) of this section. Any fines collected under this chapter, or otherwise designated to this account must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for funding pipeline safety.

(2) Federal funds received before June 30, 2001, shall be treated as receipt of unanticipated funds and expended, without appropriation, for the designated purposes.

Sec. 8. RCW 80.01.080 and 1961 c 14 s 80.01.080 are each amended to read as follows:

The transportation revolving fund and the public utilities revolving fund are abolished as of April 1, 1949, and as of such date there is created in the state treasury a "Public Service Revolving Fund" to which shall be transferred all moneys which then remain on hand to the credit of the transportation revolving fund and the public utilities revolving fund, subject, however, to outstanding warrants and other obligations chargeable to appropriations made from such funds. From and after April 1, 1949, regulatory fees payable by all types of public service companies shall be deposited to the credit of the public service revolving fund. Except for expenses payable out of the pipeline safety account, all expense of operation of the Washington utilities and transportation commission shall be payable out of the public service revolving fund.

Sec. 9. RCW 81.88.060 and 2000 c 191 s 5 are each amended to read as follows:

(1) A comprehensive program of hazardous liquid pipeline safety is authorized by RCW 81.88.010, 81.88.040, 81.88.050, 81.88.090, 81.88.100, ~~((81.88.130,))~~ 48.48.160, and this section to be developed and implemented consistent with federal law. ~~((Except as provided in subsection (6) of this section,))~~ The

commission shall administer and enforce all laws related to hazardous liquid pipeline safety.

(2) The commission shall adopt rules for pipeline safety standards for hazardous liquid pipeline transportation that:

(a) Require pipeline companies to design, construct, operate, and maintain their pipeline facilities so they are safe and efficient;

(b) Require pipeline companies to rapidly locate and isolate all reportable releases from pipelines, that may include:

(i) Installation of remote control shut-off valves; and

(ii) Installation of remotely monitored pressure gauges and meters;

(c) Require the training and certification of personnel who operate pipelines and the associated systems;

(d) Require reporting of emergency situations, including emergency shutdowns and material defects or physical damage that impair the serviceability of a pipeline; and

(e) Require pipeline companies to submit operations safety plans to the commission once every five years, as well as any amendments to the plan made necessary by changes to the pipeline system or its operation. The safety plan shall include emergency response procedures.

(3) The commission shall approve operations safety plans if they have been deemed fit for service. A plan shall be deemed fit for service when it provides for pipelines that are designed, developed, constructed, operated, and periodically modified to provide for protection of public safety and the environment. Pipeline operations safety plans shall, at a minimum, include:

(a) A schedule of inspection and testing within the pipeline distribution system of:

(i) All mechanical components;

(ii) All electronic components; and

(iii) The structural integrity of all pipelines as determined through pressure testing, internal inspection tool surveys, or another appropriate technique;

(b) Failsafe systems;

(c) Safety management systems; and

(d) Emergency management training for pipeline operators.

(4) The commission shall coordinate information related to pipeline safety by providing technical assistance to local planning and siting authorities.

(5) The commission shall evaluate, and consider adopting, proposals developed by the federal office of pipeline safety, the national transportation safety board, and other agencies and organizations related to methods and technologies for testing the integrity of pipeline structure, leak detection, and other elements of pipeline operation.

~~((6) The authorities of RCW 81.88.010, 81.88.040, 81.88.050, 81.88.090, 81.88.100, 81.88.130, 48.48.160, and this section relating to hazardous liquid~~

pipeline safety shall be transferred from the commission to the department pursuant to RCW 81.88.130 upon the occurrence of either:

- ~~— (a) Amendments to federal pipeline safety laws to eliminate preemption of state authority to regulate safety requirements for such pipelines; or~~
- ~~— (b) The granting of federal authority to the state to enforce or adopt any safety requirements for interstate hazardous liquid pipelines;.)~~

Sec. 10. RCW 81.88.090 and 2000 c 191 s 9 are each amended to read as follows:

(1) The commission ~~((and the department))~~ shall apply for federal delegation for the state's program for the purposes of enforcement of federal hazardous liquid pipeline safety requirements. If the secretary of transportation delegates inspection authority to the state as provided in this subsection, the ~~((department))~~ commission, at a minimum, shall do the following:

- (a) Inspect hazardous liquid pipelines periodically as specified in the inspection program;
- (b) Collect fees;
- (c) Order and oversee the testing of hazardous liquid pipelines as authorized by federal law and regulation; and
- (d) File reports with the United States secretary of transportation as required to maintain the delegated authority.

(2) The commission ~~((and the department))~~ shall also seek federal authority to adopt safety standards related to the monitoring and testing of interstate hazardous liquid pipelines.

(3) Upon delegation under subsection (1) of this section or under a grant of authority under subsection (2) of this section, to the extent authorized by federal law, the ~~((department))~~ commission shall adopt rules for interstate pipelines that are no less stringent than the state's laws and rules for intrastate hazardous liquid pipelines.

Sec. 11. RCW 81.88.140 and 2000 c 191 s 14 are each amended to read as follows:

(1) The citizens committee on pipeline safety is established to advise the state agencies and other appropriate federal and local government agencies and officials on matters relating to hazardous liquid and gas pipeline safety, routing, construction, operation, and maintenance. The committee shall serve as an advisory committee for the commission on matters relating to the commission's pipeline safety programs and activities. The commission shall consult with and provide periodic reports to the committee on matters related to the commission's pipeline safety programs and activities, including but not limited to the development and regular review of funding elements for pipeline safety programs and activities.

~~(2)~~ The committee shall have thirteen total members who shall be appointed by the governor to staggered three-year terms and shall consist of: (a) Nine members representing local government, including elected officials and the public;

and (b) four nonvoting members, representing owners and operators of hazardous liquid and gas pipelines. All members of the committee, voting and nonvoting, may participate fully in the committee's meetings, activities, and deliberations and shall timely receive all notices and information related to committee business and decisions.

~~(3)~~ (3) The committee shall review and comment on proposed rules and the operation of the state pipeline safety programs.

~~((2))~~ (4) The committee may create one or more technical advisory committees comprised of gas and hazardous liquid pipeline owners or operators, agency representatives, natural resource and environmental interests, or other interested parties.

~~((3))~~ (5) The committee established in ~~((subsection (1) of))~~ this section constitutes a class one group under RCW 43.03.220. Expenses for this group, as well as staff support, shall be provided by the utilities and transportation commission ~~((and, if additional pipeline authority is transferred to it, the department of ecology))~~.

NEW SECTION. Sec. 12. RCW 81.88.130 (Transfer of powers, duties, and functions of commission to department—Delegation of federal authority—Determination by office of financial management) and 2000 c 191 s 13 are each repealed.

NEW SECTION. Sec. 13. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the Senate April 16, 2001.

Passed the House April 5, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 239

[Senate Bill 5333]

WATER—PRELIMINARY PERMIT TIMELINES

AN ACT Relating to preliminary permit timelines; and amending RCW 90.03.290.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 90.03.290 and 1994 c 264 s 84 are each amended to read as follows:

(1) When an application complying with the provisions of this chapter and with the rules ~~((and regulations))~~ of the department has been filed, the same shall be placed on record with the department, and it shall be its duty to investigate the application, and determine what water, if any, is available for appropriation, and find and determine to what beneficial use or uses it can be applied. If it is proposed to appropriate water for irrigation purposes, the department shall investigate,

determine and find what lands are capable of irrigation by means of water found available for appropriation. If it is proposed to appropriate water for the purpose of power development, the department shall investigate, determine and find whether the proposed development is likely to prove detrimental to the public interest, having in mind the highest feasible use of the waters belonging to the public.

(2)(a) If the application does not contain, and the applicant does not promptly furnish sufficient information on which to base such findings, the department may issue a preliminary permit, for a period of not to exceed three years, requiring the applicant to make such surveys, investigations, studies, and progress reports, as in the opinion of the department may be necessary. If the applicant fails to comply with the conditions of the preliminary permit, it and the application or applications on which it is based shall be automatically canceled and the applicant so notified. If the holder of a preliminary permit shall, before its expiration, file with the department a verified report of expenditures made and work done under the preliminary permit, which, in the opinion of the department, establishes the good faith, intent, and ability of the applicant to carry on the proposed development, the preliminary permit may, with the approval of the governor, be extended, but not to exceed a maximum period of five years from the date of the issuance of the preliminary permit.

(b) For any application for which a preliminary permit was issued and for which the availability of water was directly affected by a moratorium on further diversions from the Columbia river during the years from 1990 to 1998, the preliminary permit is extended through June 30, 2002. If such an application and preliminary permit were canceled during the moratorium, the application and preliminary permit shall be reinstated until June 30, 2002, if the application and permit: (i) Are for providing regional water supplies in more than one urban growth area designated under chapter 36.70A RCW and in one or more areas near such urban growth areas, or the application and permit are modified for providing such supplies, and (ii) provide or are modified to provide such regional supplies through the use of existing intake or diversion structures. The authority to modify such a canceled application and permit to accomplish the objectives of (b)(i) and (ii) of this subsection is hereby granted.

(3) The department shall make and file as part of the record in the matter, written findings of fact concerning all things investigated, and if it shall find that there is water available for appropriation for a beneficial use, and the appropriation thereof as proposed in the application will not impair existing rights or be detrimental to the public welfare, it shall issue a permit stating the amount of water to which the applicant shall be entitled and the beneficial use or uses to which it may be applied: PROVIDED, That where the water applied for is to be used for irrigation purposes, it shall become appurtenant only to such land as may be reclaimed thereby to the full extent of the soil for agricultural purposes. But where there is no unappropriated water in the proposed source of supply, or where the

proposed use conflicts with existing rights, or threatens to prove detrimental to the public interest, having due regard to the highest feasible development of the use of the waters belonging to the public, it shall be duty of the department to reject such application and to refuse to issue the permit asked for.

(4) If the permit is refused because of conflict with existing rights and such applicant shall acquire same by purchase or condemnation under RCW 90.03.040, the department may thereupon grant such permit. Any application may be approved for a less amount of water than that applied for, if there exists substantial reason therefor, and in any event shall not be approved for more water than can be applied to beneficial use for the purposes named in the application. In determining whether or not a permit shall issue upon any application, it shall be the duty of the department to investigate all facts relevant and material to the application. After the department approves said application in whole or in part and before any permit shall be issued thereon to the applicant, such applicant shall pay the fee provided in RCW 90.03.470: PROVIDED FURTHER, That in the event a permit is issued by the department upon any application, it shall be its duty to notify the director of fish and wildlife of such issuance.

Passed the Senate April 19, 2001.

Passed the House April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 240

[Substitute Senate Bill 5910]
WATER RIGHTS—NONUSE

AN ACT Relating to temporary nonuse of water by the owner of a water right; amending RCW 90.14.140; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. I. RCW 90.14.140 and 1998 c 258 s 1 are each amended to read as follows:

(1) For the purposes of RCW 90.14.130 through 90.14.180, "sufficient cause" shall be defined as the nonuse of all or a portion of the water by the owner of a water right for a period of five or more consecutive years where such nonuse occurs as a result of:

- (a) Drought, or other unavailability of water;
- (b) Active service in the armed forces of the United States during military crisis;
- (c) Nonvoluntary service in the armed forces of the United States;
- (d) The operation of legal proceedings;
- (e) Federal or state agency leases of or options to purchase lands or water rights which preclude or reduce the use of the right by the owner of the water right;

(f) Federal laws imposing land or water use restrictions either directly or through the voluntary enrollment of a landowner in a federal program implementing those laws, or acreage limitations, or production quotas;

(g) Temporarily reduced water need for irrigation use where such reduction is due to varying weather conditions, including but not limited to precipitation and temperature, that warranted the reduction in water use, so long as the water user's diversion and delivery facilities are maintained in good operating condition consistent with beneficial use of the full amount of the water right;

(h) Temporarily reduced diversions or withdrawals of irrigation water directly resulting from the provisions of a contract or similar agreement in which a supplier of electricity buys back electricity from the water right holder and the electricity is needed for the diversion or withdrawal or for the use of the water diverted or withdrawn for irrigation purposes;

(i) Water conservation measures implemented under the Yakima river basin water enhancement project, so long as the conserved water is reallocated in accordance with the provisions of P.L. 103-434;

(j) Reliance by an irrigation water user on the transitory presence of return flows in lieu of diversion or withdrawal of water from the primary source of supply, if such return flows are measured or reliably estimated using a scientific methodology generally accepted as reliable within the scientific community; or

(k) The reduced use of irrigation water resulting from crop rotation. For purposes of this subsection, crop rotation means the temporary change in the type of crops grown resulting from the exercise of generally recognized sound farming practices. Unused water resulting from crop rotation will not be relinquished if the remaining portion of the water continues to be beneficially used.

(2) Notwithstanding any other provisions of RCW 90.14.130 through 90.14.180, there shall be no relinquishment of any water right:

(a) If such right is claimed for power development purposes under chapter 90.16 RCW and annual license fees are paid in accordance with chapter 90.16 RCW;

(b) If such right is used for a standby or reserve water supply to be used in time of drought or other low flow period so long as withdrawal or diversion facilities are maintained in good operating condition for the use of such reserve or standby water supply;

(c) If such right is claimed for a determined future development to take place either within fifteen years of July 1, 1967, or the most recent beneficial use of the water right, whichever date is later;

(d) If such right is claimed for municipal water supply purposes under chapter 90.03 RCW;

(e) If such waters are not subject to appropriation under the applicable provisions of RCW 90.40.030; or

(f) If such right or portion of the right is leased to another person for use on land other than the land to which the right is appurtenant as long as the lessee

makes beneficial use of the right in accordance with this chapter and a transfer or change of the right has been approved by the department in accordance with RCW 90.03.380, 90.03.383, 90.03.390, or 90.44.100.

NEW SECTION, Sec. 2. 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.

Passed the Senate April 18, 2001.

Passed the House April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 241

[Senate Bill 5275]

ELECTIONS—BALLOTS CAST BY MAIL

AN ACT Relating to ballots cast by mail; amending RCW 29.36.010, 29.36.013, 29.36.170, 29.36.030, 29.36.035, 29.36.045, 29.36.060, 29.36.070, 29.36.075, 29.36.100, 29.36.160, 29.36.121, 29.36.124, 29.36.126, 29.36.130, 29.04.055, and 29.62.090; reenacting and amending RCW 29.36.120; adding new sections to chapter 29.36 RCW; adding a new section to chapter 29.51 RCW; adding a new chapter to Title 29 RCW; creating a new section; recodifying RCW 29.36.010, 29.36.013, 29.36.170, 29.36.030, 29.30.075, 29.36.035, 29.36.045, 29.36.060, 29.36.070, 29.36.075, 29.36.097, 29.36.100, 29.36.150, 29.36.160, 29.36.120, 29.36.121, 29.36.124, 29.36.126, 29.36.130, and 29.36.050; repealing RCW 29.36.122 and 29.36.139; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

PART I ABSENTEE VOTING

Sec. 1. RCW 29.36.010 and 1991 c 81 s 29 are each amended to read as follows:

ABSENTEE BALLOT VOTING. Any registered voter of the state or any out-of-state voter, overseas voter, or service voter may vote by absentee ballot in any general election, special election, or primary in the manner provided in this chapter. Out-of-state voters, overseas voters, and service voters are authorized to cast the same ballots, including those for special elections, as a registered voter of the state would receive under this chapter.

~~((1) Except as provided in subsections (2) and (3) of this section, in RCW 29.36.013, and in RCW 29.36.170, a registered voter or elector desiring to cast an absentee ballot must request the absentee ballot from his or her county auditor no earlier than forty-five days nor later than the day before any election or primary. Except as provided in subsection (3) of this section and in RCW 29.36.170, the request may be made orally in person, by telephone, or in writing. An application or request for an absentee ballot made under the authority of any federal statute or regulation shall be considered and given the same effect as a request for an absentee ballot under this chapter.~~

~~—(2) For any registered voter, a request for an absentee ballot for a primary shall be honored as a request for an absentee ballot for the following general election if the voter so indicates in his or her request. For any out-of-state voter, overseas voter, or service voter, a request for an absentee ballot for a primary election shall also be honored as a request for an absentee ballot for the following general election:~~

~~—(3) A voter admitted to a hospital no earlier than five days before a primary or election and confined to the hospital on election day may apply by messenger for an absentee ballot on the day of the primary or election if a signed statement from the hospital administrator, or designee, verifying the voter's date of admission and status as a patient in the hospital on the day of the primary or election is attached to the voter's written application for an absentee ballot.~~

~~—(4) In a voter's request for an absentee ballot, the voter shall state the address to which the absentee ballot should be sent. A request for an absentee ballot from an out-of-state voter, overseas voter, or service voter shall state the address of that elector's last residence for voting purposes in the state of Washington and either a written application or the oath on the return envelope shall include a declaration of the other qualifications of the applicant as an elector of this state. A request for an absentee ballot from any other voter shall state the address at which that voter is currently registered to vote in the state of Washington or the county auditor shall verify such information from the voter registration records of the county.~~

~~—(5) A request for an absentee ballot from a registered voter who is within this state shall be made directly to the auditor of the county in which the voter is registered. An absentee ballot request from a registered voter who is temporarily outside this state or from an out-of-state voter, overseas voter, or service voter may be made either to the appropriate county auditor or to the secretary of state, who shall promptly forward the request to the appropriate county auditor. No person, organization, or association may distribute absentee ballot applications within this state that contain any return address other than that of the appropriate county auditor.~~

~~—(6) A person may request an absentee ballot for use by the person as a registered voter and may request an absentee ballot on behalf of any member of that person's immediate family who is a registered voter for use by the family member. As a means of ensuring that a person who requests an absentee ballot is requesting the ballot for only that person or a member of the person's immediate family, the secretary of state shall adopt rules prescribing the circumstances under which an auditor may require a person who requests an absentee ballot to identify the date of birth of the voter for whom the ballot is requested, and may deny a request which is not accompanied by this information.)~~

NEW SECTION. Sec. 2. A new section is added to chapter 29.36 RCW to read as follows:

REQUEST FOR SINGLE ABSENTEE BALLOT. (1) Except as otherwise provided by law, a registered voter or out-of-state voter, overseas voter, or service

voter desiring to cast an absentee ballot at a single election or primary must request the absentee ballot from his or her county auditor no earlier than ninety days nor later than the day before the election or primary at which the person seeks to vote. Except as otherwise provided by law, the request may be made orally in person, by telephone, electronically, or in writing. An application or request for an absentee ballot made under the authority of a federal statute or regulation will be considered and given the same effect as a request for an absentee ballot under this chapter.

(2) A voter requesting an absentee ballot for a primary may also request an absentee ballot for the following general election. A request by an out-of-state voter, overseas voter, or service voter for an absentee ballot for a primary election will be considered as a request for an absentee ballot for the following general election.

(3) In requesting an absentee ballot, the voter shall state the address to which the absentee ballot should be sent. A request for an absentee ballot from an out-of-state voter, overseas voter, or service voter must include the address of the last residence in the state of Washington and either a written application or the oath on the return envelope must include a declaration of the other qualifications of the applicant as an elector of this state. A request for an absentee ballot from any other voter must state the address at which that voter is currently registered to vote in the state of Washington or the county auditor shall verify that information from the voter registration records of the county.

(4) A request for an absentee ballot from a registered voter who is within this state must be made directly to the auditor of the county in which the voter is registered. An absentee ballot request from a registered voter who is temporarily outside this state or from an out-of-state voter, overseas voter, or service voter may be made either to the appropriate county auditor or to the secretary of state, who shall promptly forward the request to the appropriate county auditor. No person, organization, or association may distribute absentee ballot applications within this state that contain a return address other than that of the appropriate county auditor.

NEW SECTION. Sec. 3. A new section is added to chapter 29.36 RCW to read as follows:

REQUESTING ABSENTEE BALLOT FOR FAMILY MEMBER. A member of a registered voter's family may request an absentee ballot on behalf of and for use by the voter. As a means of ensuring that a person who requests an absentee ballot is requesting the ballot for only that person or a member of the person's immediate family, an auditor may require a person who requests an absentee ballot to identify the date of birth of the voter for whom the ballot is requested and deny a request that is not accompanied by this information.

Sec. 4. RCW 29.36.013 and 1999 c 298 s 12 are each amended to read as follows:

REQUEST FOR ONGOING ABSENTEE VOTER STATUS. Any registered voter may apply, in writing, for status as an ongoing absentee voter. Each qualified applicant shall automatically receive an absentee ballot for each ensuing election

or primary for which ~~((he or she))~~ the voter is entitled to vote and need not submit a separate request for each election. Ballots received from ongoing absentee voters shall be validated, processed, and tabulated in the same manner as other absentee ballots.

Status as an ongoing absentee voter shall be terminated upon any of the following events:

- (1) The written request of the voter;
- (2) The death or disqualification of the voter;
- (3) The cancellation of the voter's registration record;
- (4) The return of an ongoing absentee ballot as undeliverable; or
- (5) Upon placing a voter on inactive status under RCW 29.10.071.

Sec. 5. RCW 29.36.170 and 1991 c 81 s 35 are each amended to read as follows:

SPECIAL ABSENTEE BALLOT. (1) As provided in this section, county auditors shall provide special absentee ballots to be used for state primary or state general elections. An auditor shall provide a special absentee ballot ~~((shall))~~ only ~~((be provided))~~ to a registered voter who completes an application stating that: ~~((a) The voter believes that she or he will be residing or stationed or working outside the continental United States; and~~
~~((b) The voter believes that))~~ she or he will be unable to vote and return a regular absentee ballot by normal mail delivery within the period provided for regular absentee ballots.

The application for a special absentee ballot may not be filed earlier than ninety days before the applicable state primary or general election. The special absentee ballot ~~((shall))~~ will list the offices and measures, if known, scheduled to appear on the state primary or general election ballot. The voter may use the special absentee ballot to write in the name of any eligible candidate for each office and vote on any measure.

(2) With any special absentee ballot issued under this section, the county auditor shall include a listing of any candidates who have filed before the time of the application for offices that will appear on the ballot at that primary or election and a list of any issues that have been referred to the ballot before the time of the application.

(3) Write-in votes on special absentee ballots ~~((shall))~~ must be counted in the same manner provided by law for the counting of other write-in votes. The county auditor shall process and canvass the special absentee ballots provided under this section in the same manner as other absentee ballots under chapters 29.36 and 29.62 RCW.

(4) A voter who requests a special absentee ballot under this section may also request an absentee ballot under ~~((RCW 29.36.010))~~ section 2(4) of this act. If the regular absentee ballot is properly voted and returned, the special absentee ballot ~~((shall be deemed))~~ is void, and the county auditor shall reject it in whole when special absentee ballots are canvassed.

Sec. 6. RCW 29.36.030 and 1991 c 81 s 31 are each amended to read as follows:

ISSUANCE OF ABSENTEE BALLOT. (1) The county auditor shall issue an absentee ballot for the primary or election for which it was requested, or for the next occurring primary or election when ongoing absentee status has been requested if the information contained in a request for an absentee ballot or ongoing absentee status received by the county auditor is complete and correct and the applicant is qualified to vote under federal or state law((; the county auditor shall issue an absentee ballot for the primary or election for which the absentee ballot was requested)). Otherwise, the county auditor shall notify the applicant of the reason or reasons why the request cannot be accepted. Whenever two or more candidates have filed for the position of precinct committee officer for the same party in the same precinct at a general election held in an even-numbered year, the contest for that position must be presented to absentee voters from that precinct by either including the contest on the regular absentee ballot or a separate absentee ballot. The ballot must provide space designated for writing in the name of additional candidates.

~~((At each general election in an even-numbered year, each absentee voter shall also be given a separate ballot containing the names of the candidates that have filed for the office of precinct committee officer unless fewer than two candidates have filed for the same political party in the absentee voter's precinct. The ballot shall provide space for writing in the name of additional candidates.~~

~~— When mailing an absentee ballot to a registered voter temporarily outside the state or to an out-of-state voter, overseas voter, or service voter, the county auditor shall send a)~~ (2) A registered voter may obtain a replacement ballot if the ballot is destroyed, spoiled, lost, or not received by the voter. The voter may obtain the ballot by telephone request, by mail, electronically, or in person. The county auditor shall keep a record of each replacement ballot provided under this subsection.

(3) A copy of the state voters' and candidates' pamphlet must be sent to registered voters temporarily outside the state, out-of-state voters, overseas voters, and service voters along with the absentee ballot if such a pamphlet has been prepared for the primary or election and is available to the county auditor at the time of mailing. The county auditor shall mail all absentee ballots and related material to voters outside the territorial limits of the United States and the District of Columbia under 39 U.S.C. 3406.

Sec. 7. RCW 29.36.035 and 1984 c 27 s 2 are each amended to read as follows:

DELIVERY OF ABSENTEE BALLOT. The delivery of an absentee ballot for any primary or election shall be subject to the following qualifications:

(1) Only the registered voter((;himself)) personally, or a member of ((his)) the registered voter's immediate family may pick up an absentee ballot for the voter at the office of the issuing officer unless the voter is ((hospitalized)) a resident of a

health care facility, as defined by RCW 70.37.020(3), on election day and applies by messenger ((in accordance with RCW 29.36.010)) for an absentee ballot ((on the day of the primary or election)). In this latter case, the messenger may pick up the ((hospitalized)) voter's absentee ballot.

(2) Except as noted in subsection (1) ~~((above))~~ of this section, the issuing officer shall mail or deliver the absentee ballot directly to each applicant.

~~(((3) No absentee ballot shall be issued on the day of the primary or election concerned, except as provided by RCW 29.36.010, for a voter confined to a hospital on the day of a primary or election:))~~

Sec. 8. RCW 29.36.045 and 1987 c 346 s 12 are each amended to read as follows:

ENVELOPES AND INSTRUCTIONS. The county auditor shall send each absentee voter a ballot, a security envelope in which to seal the ballot after voting, a larger envelope in which to return the security envelope, and instructions on how to mark the ballot and how to return it to the county auditor. The larger return envelope ~~((shall))~~ must contain a declaration by the absentee voter reciting his or her qualifications and stating that he or she has not voted in any other jurisdiction at this election, together with a summary of the penalties for any violation of any of the provisions of this chapter. The return envelope ~~((shall))~~ must provide space for the voter to indicate the date on which the ballot was voted and for the voter to sign the oath. A summary of the applicable penalty provisions of this chapter ~~((shall))~~ must be printed on the return envelope immediately adjacent to the space for the voter's signature. The signature of the voter on the return envelope ~~((shall))~~ must affirm and attest to the statements regarding the qualifications of that voter and to the validity of the ballot. For out-of-state voters, overseas voters, and service voters, the signed declaration on the return envelope constitutes the equivalent of a voter registration for the election or primary for which the ballot has been issued. The voter ~~((shall))~~ must be instructed to either return the ballot to the county auditor by whom it was issued or attach sufficient first class postage, if applicable, and mail the ballot to the appropriate county auditor no later than the day of the election or primary for which the ballot was issued.

If the county auditor chooses to forward absentee ballots, he or she must include with the ballot a clear explanation of the qualifications necessary to vote in that election and must also advise a voter with questions about his or her eligibility to contact the county auditor. This explanation may be provided on the ballot envelope, on an enclosed insert, or printed directly on the ballot itself. If the information is not included, the envelope must clearly indicate that the ballot is not to be forwarded and that return postage is guaranteed.

NEW SECTION. Sec. 9. A new section is added to chapter 29.36 RCW to read as follows:

OBSERVERS. County auditors must request that observers be appointed by the major political parties to be present during the processing of absentee ballots.

The absence of the observers will not prevent the processing of absentee ballots if the county auditor has requested their presence.

Sec. 10. RCW 29.36.060 and 1991 c 81 s 32 are each amended to read as follows:

PROCESSING ABSENTEE BALLOTS. (1) The opening and subsequent processing of return envelopes for any primary or election may begin on or after the tenth day ~~((prior to such))~~ before the primary or election. The ~~((opening of the security envelopes and))~~ tabulation of absentee ballots ~~((shall))~~ must not commence until after 8:00 ~~((o'clock))~~ p.m. on the day of the primary or election.

(2) After opening the return envelopes, the county canvassing board shall place all of the ballots ~~((envelopes in containers that can be secured with numbered seals. These sealed containers shall be stored))~~ in ~~((a))~~ secure ~~((location))~~ storage until after 8:00 ~~((o'clock))~~ p.m. of the day of the primary or election. Absentee ballots that are to be tabulated on an electronic vote tallying system may be taken from the inner envelopes and all the normal procedural steps may be performed to prepare these ballots for tabulation ~~((before sealing the containers))~~.

(3) ~~Before opening a returned absentee ballot, the canvassing board, or its designated representatives, shall examine the postmark, statement, and signature on ((each)) the return envelope ((containing)) that contains the security envelope and absentee ballot. They shall verify that the voter's signature on the return envelope is the same as the signature of that voter in the registration files ((for that voter)) of the county. For ((absentee)) registered voters ((other than out-of-state voters, overseas voters, and service voters, if the postmark is illegible)) casting absentee ballots, the date on the return envelope to which the voter ((attests shall)) has attested determines the validity, as to the time of voting ((of)) for that absentee ballot ((under this chapter)) if the postmark is missing or is illegible. For out-of-state voters, overseas voters, and service voters, the date on the return envelope to which the voter has attested determines the validity as to the time of voting for that absentee ballot.~~ For any absentee ~~((voter))~~ ballot, a variation between the signature of the voter on the return envelope and the signature of that voter in the registration files due to the substitution of initials or the use of common nicknames is permitted so long as the surname and handwriting are clearly the same.

Sec. 11. RCW 29.36.070 and 1990 c 262 s 2 are each amended to read as follows:

COUNTING ABSENTEE BALLOTS. The absentee ballots ~~((shall be grouped and counted by))~~ must be reported at a minimum on a congressional and legislative district ((without regard to)) basis. Absentee ballots may be counted by congressional or legislative district or by individual precinct, except as required under RCW 29.62.090(2).

These returns ~~((shall))~~ must be added to the total of the votes cast at the polling places.

Sec. 12. RCW 29.36.075 and 1988 c 181 s 3 are each amended to read as follows:

CREDIT FOR VOTING. ~~((In counties that do not tabulate absentee ballots on electronic vote tallying systems, canvassing boards may not tabulate or record votes cast by absentee ballots on any uncontested office except write-in votes for candidates for the office of precinct committee person who have filed valid declarations of candidacy under RCW 29.04.180. "Uncontested office" means an office where only one candidate has filed a valid declaration of candidacy either during the regular filing period or as a write-in candidate under RCW 29.04.180.))~~

Each registered voter casting an absentee ballot ~~((shall))~~ will be credited with voting on his or her voter registration record. Absentee ballots ~~((shall))~~ must be retained for the same length of time and in the same manner as ballots cast at the precinct polling places.

Sec. 13. RCW 29.36.100 and 1987 c 346 s 18 are each amended to read as follows:

CHALLENGED ABSENTEE BALLOTS. The qualifications of any absentee voter may be challenged at the time the signature on the return envelope is verified and the ballot is processed by the canvassing board. The board has the authority to determine the legality of any absentee ballot challenged under this section. Challenged ballots must be handled in accordance with chapter 29.10 RCW.

Sec. 14. RCW 29.36.160 and 1994 c 269 s 2 are each amended to read as follows:

PENALTY. A person who willfully violates any provision of this chapter regarding the assertion or declaration of qualifications to receive or cast an absentee ballot ~~((;))~~ or unlawfully casts a vote by absentee ballot ~~((, or willfully violates any provision regarding the conduct of mail ballot primaries or elections under RCW 29.36.120 through 29.36.139))~~ is guilty of a class C felony punishable under RCW 9A.20.021. Except as provided in chapter 29.85 RCW a person who willfully violates any other provision of this chapter is guilty of a misdemeanor.

PART II MAIL BALLOTS

Sec. 15. RCW 29.36.120 and 1994 c 269 s 1 and 1994 c 57 s 48 are each reenacted and amended to read as follows:

MAIL BALLOT PRECINCTS. ~~((+))~~ At any primary or election, general or special, ~~((;))~~ The county auditor may ~~((, m))~~ designate any precinct having fewer than two hundred active registered voters at the time of closing of voter registration as provided in RCW 29.07.160 ~~((, conduct the voting in that precinct by))~~ as a mail ballot precinct. ~~((For any precinct having fewer than two hundred active registered voters where voting at a primary or a general election is conducted by mail ballot, the county auditor shall, not less than fifteen days prior to the date of that primary or general election, mail or deliver to each active and inactive registered voter within that precinct a notice that the voting in that precinct will be by mail ballot,~~

~~an application form for a mail ballot, and a postage prepaid envelope, preaddressed to the issuing officer. A mail ballot shall be issued to each voter who returns a properly executed application to the county auditor no later than the day of that primary or general election. For all subsequent mail ballot elections in that precinct the application is valid so long as the voter remains active and qualified to vote.))~~ The county auditor shall notify each registered voter by mail that for all future primaries and elections the voting in his or her precinct will be by mail ballot only. In determining the number of registered voters in a precinct for the purposes of this section, persons who are ongoing absentee voters under RCW 29.36.013 (as recodified by this act) shall not be counted. Nothing in this section may be construed as altering the vote tallying requirements of RCW 29.62.090.

~~((At any nonpartisan special election not being held in conjunction with a state primary or general election, the county, city, town, or district requesting the election pursuant to RCW 29.13.010 or 29.13.020 may also request that the election be conducted by mail ballot. The county auditor may honor the request or may determine that the election is not to be conducted by mail ballot. The decision of the county auditor in this regard is final.~~

~~— In no instance shall any special election be conducted by mail ballot in any precinct with two hundred or more active registered voters if candidates for partisan office are to be voted upon.~~

~~— For all special elections not being held in conjunction with a state primary or state general election where voting is conducted by mail ballot, the county auditor shall, not less than fifteen days prior to the date of such election, mail or deliver to each active registered voter a mail ballot and an envelope, preaddressed to the issuing officer.))~~ As soon as ballots are available, the county auditor shall mail or deliver a ballot and an envelope, preaddressed to the issuing officer, to each active registered voter. The auditor shall send each inactive voter either a ballot or an application to receive a ballot. The auditor shall determine which of the two is to be sent. If the inactive voter returns a voted ballot, the ballot shall be counted and the voter's status restored to active. If the inactive voter completes and returns an application, a ballot shall be sent and the voter's status restored to active.

~~((2) For a two-year period beginning on June 9, 1994, and ending two years after June 9, 1994, the county auditor may conduct the voting in any precinct by mail for any primary or election, partisan or nonpartisan, using the procedures set forth in RCW 29.36.120 through 29.36.139.))~~

If the precinct exceeds two hundred registered voters, or the auditor determines to return to a polling place election environment, the auditor shall notify each registered voter, by mail, of this and shall provide the address of the polling place to be used.

Sec. 16. RCW 29.36.121 and 1994 c 57 s 49 are each amended to read as follows:

MAIL BALLOT SPECIAL ELECTIONS. ~~((+))~~ At any nonpartisan special election not being held in conjunction with a state primary or general election, the

county, city, town, or district requesting the election pursuant to RCW 29.13.010 or 29.13.020 may also request that the special election be conducted by mail ballot. The county auditor may honor the request or may determine that the election is not to be conducted by mail ballot. The decision of the county auditor in this regard is final.

~~((2) In an odd-numbered year, the county auditor may conduct by mail ballot a primary or a special election concurrently with the primary:~~

~~—(a) For any office or ballot measure of a special purpose district which is entirely within the county;~~

~~—(b) For any office or ballot measure of a special purpose district which lies in the county and one or more other counties if the auditor first secures the concurrence of the county auditors of those other counties to conduct the primary in this manner district-wide; and~~

~~—(c) For any ballot measure or nonpartisan office of a county, city, or town if the auditor first secures the concurrence of the legislative authority of the county, city, or town involved:~~

~~— A primary in an odd-numbered year may not be conducted by mail ballot in any precinct with two hundred or more active registered voters if a partisan office or state office or state ballot measure is to be voted upon at that primary in the precinct:~~

~~—(3)) For all special elections not being held in conjunction with a state primary or state general election where voting is conducted by mail ballot, the county auditor shall, not less than ((fifteen)) twenty days before the date of such election, ((mail or deliver)) make available to each registered voter a mail ballot ((and an envelope, preaddressed to the issuing officer. The county auditor shall notify an election jurisdiction for which a primary is to be held that the primary will be conducted by mail ballot)). The auditor shall handle inactive voters in the same manner as inactive voters in mail ballot precincts.~~

~~((4) To the extent they are not inconsistent with subsections (1) through (3) of this section, the laws governing the conduct of mail ballot special elections apply to nonpartisan primaries conducted by mail ballot.)~~

NEW SECTION. Sec. 17. ODD-YEAR PRIMARIES BY MAIL. In an odd-numbered year, the county auditor may conduct a primary or a special election by mail ballot concurrently with the primary:

(1) For an office or ballot measure of a special purpose district that is entirely within the county;

(2) For an office or ballot measure of a special purpose district that lies in the county and one or more other counties if the auditor first secures the concurrence of the county auditors of those other counties to conduct the primary in this manner district-wide; and

(3) For a ballot measure or nonpartisan office of a county, city, or town if the auditor first secures the concurrence of the legislative authority of the county, city, or town involved.

The county auditor shall notify an election jurisdiction for which a primary is to be held that the primary will be conducted by mail ballot.

A primary in an odd-numbered year may not be conducted by mail ballot in a precinct with two hundred or more active registered voters if a partisan office or state office or state ballot measure is to be voted upon at that primary in the precinct.

To the extent they are not inconsistent with other provisions of law, the laws governing the conduct of mail ballot special elections apply to nonpartisan primaries conducted by mail ballot.

Sec. 18. RCW 29.36.124 and 1983 1st ex.s. c 71 s 3 are each amended to read as follows:

DEPOSITING BALLOTS FOR MAIL BALLOT ELECTIONS. (1) If a county auditor conducts an election by mail, the county auditor shall designate ~~((the county auditor's office or a central location in the district in which the election is conducted as the single place to obtain a replacement ballot. The county auditor also shall designate))~~ one or more places for the deposit of ballots not returned by mail. The places designated under this section shall be open on the date of the election for a period of thirteen hours, beginning at 7:00 a.m. and ending at 8:00 p.m.

(2) A registered voter may obtain a replacement ballot as provided in this subsection if the ballot is destroyed, ~~((spoiled))~~ damaged, lost, or not received by the voter. ~~((A registered voter seeking a replacement ballot shall sign a sworn statement that the ballot was destroyed, spoiled, lost, or not received and shall present the statement to the county auditor no later than the day of the election. Each spoiled ballot must be returned to the county auditor before a new one is issued.))~~ A voter may request a replacement mail ballot in person, by mail, by telephone, or by other electronic transmission for himself or herself and for any member of his or her immediate family. The request must be received by the auditor before 8:00 p.m. on election day. The county auditor shall keep a record of each replacement ballot ((provided under this subsection)) issued, including the date of the request. Replacement mail ballots may be counted in the final tabulation of ballots only if the original ballot is not received by the county auditor and the replacement ballot meets all requirements for tabulation necessary for the tabulation of regular mail ballots.

Sec. 19. RCW 29.36.126 and 1993 c 417 s 4 are each amended to read as follows:

RETURN OF VOTED BALLOT BY VOTER. ~~((Upon receipt of the mail ballot, the voter shall mark it, sign the return identification envelope supplied with the ballot, and comply with the instructions provided with the ballot. The voter may return the marked ballot to the county auditor. The ballot must be returned))~~ The voter shall return the ballot to the county auditor in the return identification envelope. If mailed, a ballot must be postmarked not later than the date of the primary or election. Otherwise, the ballot must be deposited at the office of the

county auditor or the designated place of deposit not later than 8:00 p.m. on the date of the primary or election.

Sec. 20. RCW 29.36.130 and 1993 c 417 s 5 are each amended to read as follows:

BALLOT CONTENTS—COUNTING. All mail ballots authorized by RCW 29.36.120 or 29.36.121 ~~((shall))~~ (as recodified by this act) or section 17 of this act must contain the same offices, names of nominees or candidates, and propositions to be voted upon, including precinct offices, as if the ballot had been voted in person at the polling place. Except as otherwise provided ~~((in this chapter))~~ by law, mail ballots ~~((shall))~~ must be ~~((issued and canvassed))~~ reated in the same manner as absentee ballots issued ~~((pursuant to))~~ at the request of the voter. ~~((The county canvassing board, at the request of the county auditor, may direct that mail ballots be counted on the day of the election. If such count is made, it must be done in secrecy in the presence of the canvassing board or their authorized representatives and the results not revealed to any unauthorized person until 8:00 p.m. or later if the auditor so directs.))~~ If electronic vote tallying devices are used, political party observers ~~((shall be afforded))~~ must be given the opportunity to be present, and a test of the equipment must be performed as required by RCW 29.33.350 ~~((prior to the count of))~~ before tabulating ballots. Political party observers may select at random ballots to be counted manually as provided by RCW 29.54.025. Any violation of the secrecy of ~~((such))~~ the count ~~((shall be))~~ is subject to the same penalties as provided for in RCW 29.85.225.

NEW SECTION. Sec. 21. PENALTY. A person who willfully violates any provision of this chapter regarding the conduct of mail ballot primaries or elections is guilty of a class C felony punishable under RCW 9A.20.021.

PART III REPORTING

Sec. 22. RCW 29.04.055 and 1986 c 167 s 3 are each amended to read as follows:

COMBINING OR DIVIDING PRECINCTS, ELECTION BOARDS. At any ~~((election, general or))~~ special election((:)) or ~~((at any))~~ primary, the county auditor may combine, unite, or divide precincts and may combine or unite election boards for the purpose of holding such election. At any general election, the county auditor may combine or unite election boards for the purpose of holding such election, but shall report all election returns by individual precinct.

*Sec. 23. RCW 29.62.090 and 1999 c 298 s 21 are each amended to read as follows:

ABSTRACT BY ELECTION OFFICER—TRANSMITTAL TO SECRETARY OF STATE. *(1) Immediately after the official results of a state primary ~~((or general election))~~ in a county are ascertained, the county auditor or other election officer shall make an abstract of the number of registered voters in each precinct and of all the votes cast in the county at such state primary ~~((or general~~*

election)) for and against state measures and for each candidate for federal, state, and legislative office or for any other office which the secretary of state is required by law to canvass. The abstract shall be entered on blanks furnished by the secretary of state or on compatible computer printouts approved by the secretary of state, and transmitted to the secretary of state no later than the next business day following the certification by the county canvassing board.

(2) After each general election, the county auditor or other election officer shall ~~((provide to the secretary of state a report))~~ make an abstract of the number of ~~((absentee))~~ registered voters and all ballots cast in each precinct at such general election for and against state measures and for each candidate for federal, state, and legislative office or for any other office which the secretary of state is required by law to canvass. ((The report may be included in the abstract required by this section or may be transmitted to the secretary of state separately, but in no event later than March 31 of the year following the election.)) Absentee ballot results may be incorporated into votes cast at the polls for each precinct or may be reported separately on a precinct-by-precinct basis. The abstract shall be entered on blanks furnished by the secretary of state or on compatible computer printouts approved by the secretary of state, and transmitted to the secretary of state no later than the next business day following the certification by the county canvassing board.

(3) If absentee ballot results are not incorporated into votes cast at the polls, the county auditor or other election official may aggregate results from more than one precinct if the auditor, pursuant to rules adopted by the secretary of state, finds that reporting a single precinct's absentee ballot results would jeopardize the secrecy of a person's ballot. To the extent practicable, precincts for which absentee results are aggregated shall be contiguous.

*Sec. 23 was vetoed. See message at end of chapter.

PART IV TECHNICAL

NEW SECTION. **Sec. 24.** The following acts or parts of acts are each repealed:

(1) RCW 29.36.122 (Special election by mail—Sending ballots to voters) and 1994 c 57 s 50, 1993 c 417 s 3, & 1983 1st ex.s. c 71 s 2; and

(2) RCW 29.36.139 (Mail ballots—Counting requirements—Challenge) and 1993 c 417 s 6 & 1983 1st ex.s. c 71 s 6.

NEW SECTION. **Sec. 25.** (1) RCW 29.36.010, 29.36.013, 29.36.170, 29.36.030, 29.30.075, 29.36.035, 29.36.045, 29.36.060, 29.36.070, 29.36.075, 29.36.097, 29.36.100, 29.36.150, and 29.36.160 are each recodified within chapter 29.36 RCW, in the order listed, along with sections 2, 3, and 9 of this act.

(2) RCW 29.36.120, 29.36.121, 29.36.124, 29.36.126, and 29.36.130 are each recodified, and, along with sections 17 and 21 of this act, constitute a new chapter in Title 29 RCW.

(3) RCW 29.36.050 is recodified as a new section in chapter 29.51 RCW.

NEW SECTION. Sec. 26. Section captions and part headings used in this act are not part of the law.

Passed the Senate April 20, 2001.

Passed the House April 19, 2001.

Approved by the Governor May 11, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 11, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 23, Senate Bill No. 5275 entitled:

"AN ACT Relating to ballots cast by mail;"

Senate Bill No. 5275 reorganizes and clarifies the laws governing absence and mail balloting. Section 23 of the bill would have amended RCW 29.62.090, and clarified reporting requirements and submittal deadlines for official election results. However, the legislature also sent to me Substitute House Bill No. 1644, which amends the same statute section in a slightly different way - most notably by providing for electronic transmission of election results.

Because I signed Substitute House Bill No. 1644 in its entirety on May 9, 2001, I have vetoed section 23 of Senate Bill No. 5275 in order to avoid a conflicting double amendment.

For these reasons, I have vetoed section 23 of Senate Bill No. 5275.

With the exception of section 23, Senate Bill No. 5275 is approved."

CHAPTER 242

[Substitute Senate Bill 5417]

OPIATE SUBSTITUTION TREATMENT PROGRAM

AN ACT Relating to opiate substitution treatment programs; and amending RCW 70.96A.400, 70.96A.410, and 70.96A.420.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 70.96A.400 and 1995 c 321 s 1 are each amended to read as follows:

The state of Washington declares that there is no fundamental right to opiate substitution treatment. The state of Washington further declares that while ~~((methadone and other like pharmacological))~~ opiate substitution drugs(;) used in the treatment of opiate dependency are addictive substances, that they nevertheless have several legal, important, and justified uses and that one of their appropriate and legal uses is, in conjunction with other required therapeutic procedures, in the treatment of persons addicted to or habituated to opioids. Opiate substitution treatment should only be used for participants who are deemed appropriate to need this level of intervention and should not be the first treatment intervention for all opiate addicts.

Because ~~((methadone and other like pharmacological))~~ opiate substitution drugs, used in the treatment of opiate dependency are addictive and are listed as a schedule II controlled substance in chapter 69.50 RCW, the state of Washington ~~((and authorizing counties on behalf of their citizens have))~~ has the legal obligation

and right to regulate the use of opiate substitution treatment. The state of Washington declares its authority to control and regulate carefully, in ~~((cooperation))~~ consultation with ~~((the authorizing))~~ counties and cities, all clinical uses of ~~((methadone and other pharmacological))~~ opiate substitution drugs used in the treatment of opiate addiction.

Further, the state declares that the primary goal of opiate substitution treatment is total abstinence from chemical dependency for the individuals who participate in the treatment program. The state recognizes that a small percentage of persons who participate in opiate ~~((substitute-[substitution]))~~ substitution treatment programs require treatment for an extended period of time. Opiate substitution treatment programs shall provide a comprehensive transition program to eliminate chemical dependency~~((:))~~, including opiate and opiate substitute addiction of program participants.

Sec. 2. RCW 70.96A.410 and 1995 c 321 s 2 are each amended to read as follows:

~~(1) ((A county legislative authority may prohibit opiate substitution treatment in that county. The department shall not certify an opiate substitution treatment program in a county where the county legislative authority has prohibited opiate substitution treatment. If a county legislative authority authorizes opiate substitution treatment programs, it shall limit by ordinance the number of opiate substitution treatment programs operating in that county by limiting the number of licenses granted in that county. If a county has authorized opiate substitution treatment programs in that county, it shall only license opiate substitution treatment programs that comply with the department's operating and treatment standards under this section and RCW 70.96A.420. A county that authorizes opiate substitution treatment may operate the programs directly or through a local health department or health district or it may authorize certified opiate substitution treatment programs that the county licenses to provide the services within the county. Counties shall monitor opiate substitution treatment programs for compliance with the department's operating and treatment regulations under this section and RCW 70.96A.420.~~

~~—(2) A county that authorizes opiate substitution treatment programs shall develop and enact by ordinance licensing standards, consistent with this chapter and the operating and treatment standards adopted under this chapter, that govern the application for, issuance of, renewal of, and revocation of the licenses. Certified programs existing before May 18, 1987, applying for renewal of licensure in subsequent years, that maintain certification and meet all other requirements for licensure, shall be given preference.~~

~~—(3) In certifying programs, the department shall not discriminate against an opiate substitution treatment program on the basis of its corporate structure. In licensing programs, the county shall not discriminate against an opiate substitution treatment program on the basis of its corporate structure.~~

(4)) For purposes of this section, "area" means the county in which an applicant proposes to locate a certified program and counties adjacent, or near to, the county in which the program is proposed to be located.

When making a decision on an application for certification of a program, the department shall:

(a) Consult with the county legislative authorities in the area in which an applicant proposes to locate a program and the city legislative authority in any city in which an applicant proposes to locate a program;

(b) Certify only programs that will be sited in accordance with the appropriate county or city land use ordinances. Counties and cities may require conditional or special use permits with reasonable conditions for the siting of programs. Pursuant to RCW 36.70A.200, no local comprehensive plan or development regulation may preclude the siting of essential public facilities;

(c) Not discriminate in its certification decision on the basis of the corporate structure of the applicant;

(d) Consider the size of the population in need of treatment in the area in which the program would be located and certify only applicants whose programs meet the necessary treatment needs of that population;

(e) Demonstrate a need in the community for opiate substitution treatment and not certify more program slots than justified by the need in that community. No program shall exceed three hundred fifty participants unless specifically authorized by the county in which the program is certified;

(f) Consider the availability of other certified programs near the area in which the applicant proposes to locate the program;

(g) Consider the transportation systems that would provide service to the program and whether the systems will provide reasonable opportunities to access the program for persons in need of treatment;

(h) Consider whether the applicant has, or has demonstrated in the past, the capability to provide the appropriate services to assist the persons who utilize the program in meeting goals established by the legislature, including abstinence from opiates and opiate substitutes, obtaining mental health treatment, improving economic independence, and reducing adverse consequences associated with illegal use of controlled substances. The department shall prioritize certification to applicants who have demonstrated such capability;

(i) Hold at least one public hearing in the county in which the facility is proposed to be located and one hearing in the area in which the facility is proposed to be located. The hearing shall be held at a time and location that are most likely to permit the largest number of interested persons to attend and present testimony. The department shall notify all appropriate media outlets of the time, date, and location of the hearing at least three weeks in advance of the hearing.

(2) A program applying for certification from the department and a program applying for a contract from a state agency that has been denied the certification or contract shall be provided with a written notice specifying the rationale and

reasons for the denial. ~~((A program applying for a license or a contract from a county that has been denied the license or contract shall be provided with a written notice specifying the rationale and reasons for the denial.~~

~~—(5) A license is effective for one calendar year from the date of issuance. The license shall be renewed in accordance with the provisions of this section for initial approval, the goals for treatment programs under RCW 70.96A.400, the standards set forth in RCW 70.96A.420, and the rules adopted by the secretary.~~

~~—(6)) (3) For the purpose of this chapter, opiate substitution treatment means:~~

~~(a) Dispensing an opiate substitution drug approved by the federal drug administration for the treatment of opiate addiction; and~~

~~(b) Providing a comprehensive range of medical and rehabilitative services.~~

Sec. 3. RCW 70.96A.420 and 1998 c 245 s 135 are each amended to read as follows:

(1) The department, in consultation with opiate substitution treatment service providers and counties ~~((authorizing opiate substitution treatment programs)) and cities,~~ shall establish statewide treatment standards for certified opiate substitution treatment programs. The department ~~((and counties that authorize opiate substitution treatment programs))~~ shall enforce these treatment standards. The treatment standards shall include, but not be limited to, reasonable provisions for all appropriate and necessary medical procedures, counseling requirements, urinalysis, and other suitable tests as needed to ensure compliance with this chapter. ~~((A opiate substitution treatment program shall not have a caseload in excess of three hundred fifty persons.))~~

(2) The department, in consultation with opiate substitution treatment programs and counties ~~((authorizing opiate substitution treatment programs)),~~ shall establish statewide operating standards for certified opiate substitution treatment programs. The department ~~((and counties that authorize opiate substitution treatment programs))~~ shall enforce these operating standards. The operating standards shall include, but not be limited to, reasonable provisions necessary to enable the department and ~~((authorizing))~~ counties to monitor certified and licensed opiate substitution treatment programs for compliance with this chapter and the treatment standards authorized by this chapter and to minimize the impact of the opiate substitution treatment programs upon the business and residential neighborhoods in which the program is located.

(3) The department shall establish criteria for evaluating the compliance of opiate substitution treatment programs with the goals and standards established under this chapter. As a condition of certification, opiate substitution programs shall submit an annual report to the department and county legislative authority, including data as specified by the department necessary for outcome analysis. The department shall analyze and evaluate the data submitted by each treatment program and take corrective action where necessary to ensure compliance with the goals and standards enumerated under this chapter.

(4) Before January 1st of each year, the secretary shall submit a report to the legislature and governor. The report shall include the number of persons enrolled in each treatment program during the period covered by the report, the number of persons who leave each treatment program voluntarily and involuntarily, and an outcome analysis of each treatment program. For purposes of this subsection, "outcome analysis" shall include but not be limited to: The number of people who, as a result of participation in the program, are able to abstain from opiates; reduction in use of opiates; reduction in criminal conduct; achievement of economic independence; and reduction in utilization of health care. The report shall include information on an annual and cumulative basis beginning on the effective date of this section.

Passed the Senate April 16, 2001.

Passed the House April 5, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 243

[Substitute Senate Bill 5438]

FISH AND WILDLIFE LANDS VEHICLE USE PERMITS

AN ACT Relating to fish and wildlife lands vehicle use permits; amending RCW 77.32.380; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 77.32.380 and 2000 c 107 s 271 are each amended to read as follows:

(1) Persons who enter upon or use clearly identified department improved access facilities with a motor vehicle may be required to display a current annual fish and wildlife lands vehicle use permit on the motor vehicle while within or while using an improved access facility. An "improved access facility" is a clearly identified area specifically created for motor vehicle parking, and includes any boat launch or boat ramp associated with the parking area, but does not include the department parking facilities at the Gorge Concert Center near George, Washington. ~~((The vehicle use permit is issued in the form of a decal:))~~ One ~~((decal))~~ vehicle use permit shall be issued at no charge with ~~((each))~~ an initial purchase of either an annual saltwater, freshwater, combination, small game hunting, big game hunting, ~~((and))~~ or trapping license issued by the department. The annual fee for a fish and wildlife lands vehicle use permit, if purchased separately, is ten dollars. A person to whom the department has issued a ~~((decal))~~ vehicle use permit or who has purchased a vehicle use permit separately may purchase ~~((a decal))~~ additional vehicle use permits from the department ~~((for each additional vehicle owned by the person))~~ at a cost of five dollars per ~~((decal upon a showing of proof to the department that the person owns the additional vehicle or vehicles))~~ vehicle use permit. Revenue derived from the sale of fish and wildlife

lands vehicle use permits shall be used solely for the stewardship and maintenance of department improved access facilities.

Youth groups may use department improved access facilities without possessing a vehicle use permit when accompanied by a vehicle use permit holder.

The department may accept contributions into the state wildlife fund for the sound stewardship of fish and wildlife. Contributors shall be known as "conservation patrons" and, for contributions of twenty dollars or more, shall receive a fish and wildlife lands vehicle use permit free of charge.

(2) The ~~((decat))~~ vehicle use permit must be ~~((affixed in a permanent manner to))~~ displayed from the interior of the motor vehicle so that it is clearly visible from outside of the motor vehicle before entering upon or using the motor vehicle on a department improved access facility~~((, and must be displayed on the rear window of the motor vehicle, or, if the motor vehicle does not have a rear window, on the rear of the motor vehicle))~~. The vehicle use permit can be transferred between two vehicles and must contain space for the vehicle license numbers of each vehicle.

(3) Failure to display the fish and wildlife lands vehicle use permit if required by this section is an infraction under chapter 7.84 RCW, and department employees are authorized to issue a notice of infraction to the registered owner of any motor vehicle entering upon or using a department improved access facility without such a ~~((decat))~~ vehicle use permit. The penalty for failure to clearly display ((or improper display of)) the ~~((decat))~~ vehicle use permit is sixty-six dollars. This penalty is reduced to thirty dollars if the registered owner provides proof to the court that he or she purchased a vehicle use permit within fifteen days after the issuance of the notice of violation.

Passed the Senate April 19, 2001.

Passed the House April 18, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 244

[Substitute Senate Bill 5443]

COMMERCIAL SALMON LICENSES

AN ACT Relating to commercial salmon licenses; and amending RCW 77.65.160, 77.65.030, and 77.65.070.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 77.65.160 and 2000 c 107 s 37 are each amended to read as follows:

(1) The following commercial salmon fishery licenses are required for the license holder to use the specified gear to fish for salmon in state waters. Only a person who meets the qualifications of RCW 77.70.090 may hold a license listed in this subsection. The licenses and their annual fees and surcharges under RCW 77.95.090 are:

Fishery License	Resident Fee	Nonresident Fee	Surcharge
(a) Salmon Gill Net—Grays Harbor-Columbia river	\$380	\$685	plus \$100
(b) Salmon Gill Net—Puget Sound	\$380	\$685	plus \$100
(c) Salmon Gill Net—Willapa Bay-Columbia river	\$380	\$685	plus \$100
(d) Salmon purse seine	\$530	\$985	plus \$100
(e) Salmon reef net	\$380	\$685	plus \$100
(f) Salmon troll	\$380	\$685	plus \$100

(2) A license issued under this section authorizes no taking or delivery of salmon or other food fish unless a vessel is designated under RCW 77.65.100.

(3) Holders of commercial salmon fishery licenses may retain incidentally caught food fish other than salmon, subject to rules of the department.

(4) A salmon troll license includes a salmon delivery license.

(5) A salmon gill net license authorizes the taking of salmon only in the geographical area for which the license is issued. The geographical designations in subsection (1) of this section have the following meanings:

(a) "Puget Sound" includes waters of the Strait of Juan de Fuca, Georgia Strait, Puget Sound and all bays, inlets, canals, coves, sounds, and estuaries lying easterly and southerly of the international boundary line and a line at the entrance to the Strait of Juan de Fuca projected northerly from Cape Flattery to the lighthouse on Tatoosh Island and then to Bonilla Point on Vancouver Island.

(b) "Grays Harbor-Columbia river" includes waters of Grays Harbor and tributary estuaries lying easterly of a line projected northerly from Point Chehalis Light to Point Brown and those waters of the Columbia river and tributary sloughs and estuaries easterly of a line at the entrance to the Columbia river projected southerly from the most westerly point of the North jetty to the most westerly point of the South jetty.

(c) "Willapa Bay-Columbia river" includes waters of Willapa Bay and tributary estuaries and easterly of a line projected northerly from Leadbetter Point to the Cape Shoalwater tower and those waters of the Columbia river and tributary sloughs described in (b) of this subsection.

(6) A commercial salmon troll fishery license may be renewed under this section if the license holder notifies the department by May 1st of that year that he or she will not participate in the fishery during that calendar year. A commercial salmon gill net, reef net, or seine fishery license may be renewed under this section if the license holder notifies the department ~~((by August 1st))~~ before the third Monday in September of that year that he or she will not participate in the fishery during that calendar year. The license holder must pay the one hundred-dollar enhancement surcharge, plus a fifteen-dollar handling charge before the third

Monday in September, in order to be considered a valid renewal and eligible to renew the license the following year.

(7) Notwithstanding the annual license fees and surcharges established in subsection (1) of this section, a person who holds a resident commercial salmon fishery license shall pay an annual license fee of one hundred dollars plus the surcharge if all of the following conditions are met:

(a) The license holder is at least seventy-five years of age;

(b) The license holder owns a fishing vessel and has fished with a resident commercial salmon fishery license for at least thirty years;
and

(c) The commercial salmon fishery license is for a geographical area other than the Puget Sound.

An alternate operator may not be designated for a license renewed at the one hundred dollar annual fee under this subsection (7).

Sec. 2. RCW 77.65.030 and 1993 c 340 s 3 are each amended to read as follows:

The application deadline for a commercial license or permit established in this chapter is December 31st of the calendar year for which the license or permit is sought. The department shall accept no license or permit applications after December 31st of the calendar year for which the license or permit is sought. The application deadline in this section does not apply to a license or permit that has not been renewed because of the death of the license or permit holder. The license or permit holder's surviving spouse, estate, or estate beneficiary must be given a reasonable opportunity to renew the license or permit.

Sec. 3. RCW 77.65.070 and 1996 c 267 s 27 are each amended to read as follows:

(1) A commercial license issued under this chapter permits the license holder to engage in the activity for which the license is issued in accordance with this title and the rules of the department.

(2) No security interest or lien of any kind, including tax liens, may be created or enforced in a license issued under this chapter.

(3) Unless otherwise provided in this title or rules of the department, commercial licenses and permits issued under this chapter expire at midnight on December 31st of the calendar year for which they are issued. In accordance with this title, licenses may be renewed annually upon application and payment of the prescribed license fees. In accordance with RCW 77.65.030, the department must provide a license or permit holder's surviving spouse, estate, or estate beneficiary a reasonable opportunity to renew the license or permit.

Passed the Senate April 18, 2001.

Passed the House April 17, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 245

[Engrossed Senate Bill 5495]

COMMUNITY OUTDOOR ATHLETIC FIELDS ADVISORY COUNCIL

AN ACT Relating to the community outdoor athletic fields advisory council; and amending RCW 79A.25.810.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 79A.25.810 and 1998 c 264 s 2 are each amended to read as follows:

(1) A community outdoor athletic fields advisory council is established within the interagency committee for outdoor recreation. The advisory council shall consist of nine members, from the public at large, appointed as follows: (a) Four members appointed by the chairperson of the interagency committee for outdoor recreation; (b) two members appointed by the house of representatives, one each appointed by the speaker of the house of representatives and the minority leader of the house of representatives; (c) two members appointed by the senate, one each appointed by the majority leader of the senate and the minority leader of the senate; and (d) one member appointed by the governor, who shall serve as chairperson of the advisory council. If a position on the advisory council which is supposed to be filled by an appointment by either the house of representatives or the senate is vacant for more than ninety days because of a failure to make the appointment, the chairperson of the interagency committee may appoint a person to fill the vacancy. The appointments must reflect an effort to achieve a balance among the appointed members based upon factors of geographic, population density, racial, ethnic, and gender diversity, and with a sense and awareness of community outdoor athletic fields needs, including the complete variety of outdoor athletic activities.

(2) The community outdoor athletic fields advisory council shall annually advise, provide information to, and make recommendations to the interagency committee for outdoor recreation on how to allocate all of the funds deposited in the youth athletic facility account created in RCW 43.99N.060(4). These recommendations must include, at a minimum, recommendations concerning the distribution of funds deposited in the youth athletic facility account between the maintenance of existing athletic facilities, the development of new athletic facilities, the improvement of existing athletic facilities, and the award of funds from the youth athletic facility ((grant)) account ((created in RCW 43.99N.060(4);)) to cities, counties, and qualified nonprofit organizations for acquiring, developing, equipping, maintaining, and improving youth or community athletic facilities, including but not limited to community outdoor athletic fields.

(3) The members shall serve three-year terms. Of the initial members, two shall be appointed for a one-year term, three shall be appointed for a two-year term, and the remainder shall be appointed for three-year terms. Thereafter, members shall be appointed for three-year terms. The member appointed by the governor

shall serve as chairperson of the advisory council for the duration of the member's term.

(4) Members of the advisory council shall serve without compensation, but shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

Passed the Senate April 17, 2001.

Passed the House April 4, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 246

[Substitute Senate Bill 5502]

BOXING, MARTIAL ARTS, WRESTLING—LICENSING

AN ACT Relating to boxing official licensing; and amending RCW 67.08.100.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 67.08.100 and 1999 c 282 s 7 are each amended to read as follows:

(1) The department upon receipt of a properly completed application and payment of a nonrefundable fee, may grant an annual license to an applicant for the following: (a) Promoter; (b) manager; (c) boxer; (d) second; (e) wrestling participant; (f) inspector; (g) judge; (h) timekeeper; (i) announcer; (j) event physician; (k) referee; (l) matchmaker; (m) kickboxer; and (n) martial arts participant.

(2) The application for the following types of licenses shall include a physical performed by a physician, as defined in RCW 67.08.002, which was performed by the physician with a time period preceding the application as specified by rule: (a) Boxer; (b) wrestling participant; (c) kickboxer; (d) martial arts participant; and (e) referee.

(3) An applicant for the following types of licenses for the sports of boxing, kickboxing, and martial arts shall provide annual proof of certification as having adequate experience, skill, and training from an organization approved by the department, including, but not limited to, the association of boxing commissions, the international boxing federation, the international boxing organization, the Washington state association of professional ring officials, the world boxing association, the world boxing council, or the world boxing organization for boxing officials, and the united full contact federation for kickboxing and martial arts officials: (a) Judge; (b) referee; (c) inspector; (d) timekeeper; or (e) other officials deemed necessary by the department.

(4) Any license may be revoked, suspended, or denied by the director for a violation of this chapter or a rule adopted by the director.

~~((4))~~ (5) No person shall participate or serve in any of the above capacities unless licensed as provided in this chapter.

~~((5))~~ (6) The referees, judges, timekeepers, event physicians, and inspectors for any boxing event shall be designated by the department from among licensed officials.

~~((6))~~ (7) The referee for any wrestling event shall be provided by the promoter and shall be licensed as a wrestling participant.

~~((7))~~ (8) The department shall immediately suspend the license or certificate of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license or certificate shall be automatic upon the department's receipt of a release issued by the department of social and health services stating that the licensee is in compliance with the order.

~~((8))~~ (9) A person may not be issued a license if the person has an unpaid fine outstanding to the department.

~~((9))~~ (10) A person may not be issued a license unless they are at least eighteen years of age.

~~((10))~~ (11) This section shall not apply to contestants or participants in events at which only amateurs are engaged in contests and/or fraternal organizations and/or veterans' organizations chartered by congress or the defense department or any recognized amateur sanctioning body recognized by the department, holding and promoting athletic events and where all funds are used primarily for the benefit of their members. Upon request of the department, a promoter, contestant, or participant shall provide sufficient information to reasonably determine whether this chapter applies.

Passed the Senate March 9, 2001.

Passed the House April 6, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 247

[Substitute Senate Bill 5558]

ALCOHOL VIOLATORS—PENALTIES

AN ACT Relating to penalties for alcohol violators; and amending RCW 46.20.720.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.20.720 and 1999 c 331 s 3 are each amended to read as follows:

(1) The court may order that after a period of suspension, revocation, or denial of driving privileges, and for up to as long as the court has jurisdiction, any person convicted of any offense involving the use, consumption, or possession of alcohol while operating a motor vehicle may drive only a motor vehicle equipped with a functioning ignition interlock or other biological or technical device.

(2) If a person is convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance and it is: (a) The person's first conviction or a deferred prosecution under chapter 10.05 RCW and his or her alcohol concentration was at least 0.15, or by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration; or (b) the person's second or subsequent conviction; or (c) the person's first conviction and the person has a previous deferred prosecution under chapter 10.05 RCW or it is a deferred prosecution under chapter 10.05 RCW and the person has a previous conviction, the court shall order that after any applicable period of suspension, revocation, or denial of driving privileges, the person may drive only a motor vehicle equipped with a functioning ignition interlock or other biological or technical device. The requirement to drive only a motor vehicle equipped with a functioning ignition interlock or other biological or technical device may not be suspended. The court may waive the requirement for the use of such a device if the court makes a specific finding in writing that such devices are not reasonably available in the local area. Nothing in this section may be interpreted as entitling a person to more than one deferred prosecution.

(3) The court shall establish a specific calibration setting at which the ignition interlock or other biological or technical device will prevent the motor vehicle from being started and the period of time that the person shall be subject to the restriction. In the case of a person under subsection (2) of this section, the period of time of the restriction will be as follows:

(a) For a person (i) who is subject to RCW 46.61.5055 (1)(b), (2), or (3), or who is subject to a deferred prosecution program under chapter 10.05 RCW, and (ii) who has not previously been restricted under this section, a period of not less than one year;

(b) For a person who has previously been restricted under (a) of this subsection, a period of not less than five years;

(c) For a person who has previously been restricted under (b) of this subsection, a period of not less than ten years.

For purposes of this section, "convicted" means being found guilty of an offense or being placed on a deferred prosecution program under chapter 10.05 RCW.

Passed the Senate April 17, 2001.

Passed the House April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 248

[Substitute Senate Bill 5565]

CONTROLLED SUBSTANCES—PRESCRIPTIONS

AN ACT Relating to controlled substance orders and prescriptions; amending RCW 69.50.308; and repealing RCW 69.50.307.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 69.50.308 and 1993 c 187 s 19 are each amended to read as follows:

(a) A controlled substance may be dispensed only as provided in this section.

(b) Except when dispensed directly by a practitioner authorized to prescribe or administer a controlled substance, other than a pharmacy, to an ultimate user, a substance included in Schedule II may not be dispensed without the written prescription of a practitioner.

(1) Schedule II narcotic substances may be dispensed by a pharmacy pursuant to a facsimile prescription under the following circumstances:

(i) The facsimile prescription is transmitted by a practitioner to the pharmacy; and

(ii) The facsimile prescription is for a patient in a long-term care facility. "Long-term care facility" means nursing homes licensed under chapter 18.51 RCW, boarding homes licensed under chapter 18.20 RCW, and adult family homes licensed under chapter 70.128 RCW; or

(iii) The facsimile prescription is for a patient of a hospice program certified or paid for by medicare under Title XVIII; or

(iv) The facsimile prescription is for a patient of a hospice program licensed by the state; and

(v) The practitioner or the practitioner's agent notes on the facsimile prescription that the patient is a long-term care or hospice patient.

(2) Injectable Schedule II narcotic substances that are to be compounded for patient use may be dispensed by a pharmacy pursuant to a facsimile prescription if the facsimile prescription is transmitted by a practitioner to the pharmacy.

(3) Under (1) and (2) of this subsection the facsimile prescription shall serve as the original prescription and shall be maintained as other Schedule II narcotic substances prescriptions.

(c) In emergency situations, as defined by rule of the state board of pharmacy, a substance included in Schedule II may be dispensed upon oral prescription of a practitioner, reduced promptly to writing and filed by the pharmacy. Prescriptions shall be retained in conformity with the requirements of RCW 69.50.306. A prescription for a substance included in Schedule II may not be refilled.

(d) Except when dispensed directly by a practitioner authorized to prescribe or administer a controlled substance, other than a pharmacy, to an ultimate user, a substance included in Schedule III or IV, which is a prescription drug as determined under RCW 69.04.560, may not be dispensed without a written or oral prescription of a practitioner. Any oral prescription must be promptly reduced to writing. The prescription shall not be filled or refilled more than six months after the date thereof or be refilled more than five times, unless renewed by the practitioner.

(e) A valid prescription or lawful order of a practitioner, in order to be effective in legalizing the possession of controlled substances, must be issued in

good faith for a legitimate medical purpose by one authorized to prescribe the use of such controlled substance. An order purporting to be a prescription not in the course of professional treatment is not a valid prescription or lawful order of a practitioner within the meaning and intent of this chapter; and the person who knows or should know that the person is filling such an order, as well as the person issuing it, can be charged with a violation of this chapter.

(f) A substance included in Schedule V must be distributed or dispensed only for a medical purpose.

(g) A practitioner may dispense or deliver a controlled substance to or for an individual or animal only for medical treatment or authorized research in the ordinary course of that practitioner's profession. Medical treatment includes dispensing or administering a narcotic drug for pain, including intractable pain.

(h) No administrative sanction, or civil or criminal liability, authorized or created by this chapter may be imposed on a pharmacist for action taken in reliance on a reasonable belief that an order purporting to be a prescription was issued by a practitioner in the usual course of professional treatment or in authorized research.

(i) An individual practitioner may not dispense a substance included in Schedule II, III, or IV for that individual practitioner's personal use.

NEW SECTION. Sec. 2. RCW 69.50.307 (Order forms) and 1971 ex.s. c 308 s 69.50.307 are each repealed.

Passed the Senate April 17, 2001.

Passed the House April 4, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 249

[Substitute Senate Bill 5702]

TAXATION—FOREST LANDS

AN ACT Relating to simplifying and harmonizing the taxation of lands valued at current use; amending RCW 84.33.035, 84.33.130, 84.33.140, 84.33.145, 84.33.170, 84.33.210, 84.33.220, 84.33.230, 84.33.250, 84.33.260, 84.33.270, 84.34.020, and 84.34.065; reenacting and amending RCW 84.34.108; decodifying RCW 84.33.112, 84.33.113, 84.33.114, 84.33.115, 84.33.116, and 84.33.118; and repealing RCW 84.33.020, 84.33.073, 84.33.100, 84.33.110, and 84.33.120.

Be it enacted by the Legislature of the State of Washington:

Sec. I. RCW 84.33.035 and 1995 c 165 s 1 are each amended to read as follows:

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

(1) "Agricultural methods" means the cultivation of trees that are grown on land prepared by intensive cultivation and tilling, such as irrigating, plowing, or turning over the soil, and on which all unwanted plant growth is controlled

continuously for the exclusive purpose of raising trees such as Christmas trees and short-rotation hardwoods.

(2) "Average rate of inflation" means the annual rate of inflation as determined by the department averaged over the period of time as provided in RCW 84.33.220 (1) and (2). This rate shall be published in the state register by the department not later than January 1st of each year for use in that assessment year.

(3) "Composite property tax rate" for a county means the total amount of property taxes levied upon forest lands by all taxing districts in the county other than the state, divided by the total assessed value of all forest land in the county.

~~((3))~~ (4) "Forest land" is synonymous with "designated forest land" and means ((forest land which is classified or designated forest land under this chapter)) any parcel of land that is twenty or more acres or multiple parcels of land that are contiguous and total twenty or more acres that is or are devoted primarily to growing and harvesting timber. Designated forest land means the land only and does not include a residential homesite. The term includes land used for incidental uses that are compatible with the growing and harvesting of timber but no more than ten percent of the land may be used for such incidental uses. It also includes the land on which appurtenances necessary for the production, preparation, or sale of the timber products exist in conjunction with land producing these products.

~~((4))~~ (5) "Harvested" means the time when in the ordinary course of business the quantity of timber by species is first definitely determined. The amount harvested shall be determined by the Scribner Decimal C Scale or other prevalent measuring practice adjusted to arrive at substantially equivalent measurements, as approved by the department ((of revenue)).

~~((5))~~ (6) "Harvester" means every person who from the person's own land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, fells, cuts, or takes timber for sale or for commercial or industrial use((: PROVIDED, That whenever)), When the United States or any instrumentality thereof, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein so fells, cuts, or takes timber for sale or for commercial or industrial use, the harvester is the first person other than the United States or any instrumentality thereof, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein, who acquires title to or a possessory interest in ~~((such))~~ the timber. The term "harvester" does not include persons performing under contract the necessary labor or mechanical services for a harvester.

~~((6))~~ (7) "Harvesting and marketing costs" means only those costs directly associated with harvesting the timber from the land and delivering it to the buyer and may include the costs of disposing of logging residues. Any other costs that are not directly and exclusively related to harvesting and marketing of the timber, such as costs of permanent roads or costs of reforesting the land following harvest, are not harvesting and marketing costs.

(8) "Incidental use" means a use of designated forest land that is compatible with its purpose for growing and harvesting timber. An incidental use may include a gravel pit, a shed or land used to store machinery or equipment used in conjunction with the timber enterprise, and any other use that does not interfere with or indicate that the forest land is no longer primarily being used to grow and harvest timber.

(9) "Local government" means any city, town, county, water-sewer district, public utility district, port district, irrigation district, flood control district, or any other municipal corporation, quasi-municipal corporation, or other political subdivision authorized to levy special benefit assessments for sanitary or storm sewerage systems, domestic water supply or distribution systems, or road construction or improvement purposes.

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

(11) "Owner" means the party or parties having the fee interest in land, except where land is subject to a real estate contract "owner" means the contract vendee.

(12) "Primarily" or "primary use" means the existing use of the land is so prevalent that when the characteristic use of the land is evaluated any other use appears to be conflicting or nonrelated.

(13) "Short-rotation hardwoods" means hardwood trees, such as but not limited to hybrid cottonwoods, cultivated by agricultural methods in growing cycles shorter than ten years.

((7)) (14) "Small harvester" means every person who from his or her own land or from the land of another under a right or license granted by lease or contract, either directly or by contracting with others for the necessary labor or mechanical services, fells, cuts, or takes timber for sale or for commercial or industrial use in an amount not exceeding two million board feet in a calendar year. When the United States or any instrumentality thereof, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein so fells, cuts, or takes timber for sale or for commercial or industrial use, not exceeding these amounts, the small harvester is the first person other than the United States or any instrumentality thereof, the state, including its departments and institutions and political subdivisions, or any municipal corporation therein, who acquires title to or a possessory interest in the timber. Small harvester does not include persons performing under contract the necessary labor or mechanical services for a harvester, and it does not include the harvesters of Christmas trees or short-rotation hardwoods.

(15) "Special benefit assessments" means special assessments levied or capable of being levied in any local improvement district or otherwise levied or capable of being levied by a local government to pay for all or part of the costs of

a local improvement and which may be levied only for the special benefits to be realized by property by reason of that local improvement.

~~(16)~~ (16) "Stumpage value of timber" means the appropriate stumpage value shown on tables prepared by the department ~~((of revenue))~~ under RCW 84.33.091, provided that for timber harvested from public land and sold under a competitive bidding process, stumpage value shall mean ~~((that))~~ the actual amount paid to the seller in cash or other consideration. Whenever payment for the stumpage includes considerations other than cash, the value shall be the fair market value of the other consideration~~((, provided that))~~. If the other consideration is permanent roads, the value of the roads shall be the appraised value as appraised by the seller.

~~((8))~~ (17) "Timber" means forest trees, standing or down, on privately or publicly owned land, and except as provided in RCW 84.33.170 includes Christmas trees and short-rotation hardwoods.

~~((9))~~ (18) "Timber assessed value" for a county means a value, calculated by the department ~~((of revenue))~~ before October 1st of each year, equal to the total stumpage value of timber harvested from privately owned land in the county during the most recent four calendar quarters for which the information is available multiplied by a ratio. The numerator of the ratio is the rate of tax imposed by the county under RCW 84.33.051 for the year of the calculation. The denominator of the ratio is the composite property tax rate for the county for taxes due in the year of the calculation, expressed as a percentage of assessed value.

~~((+0))~~ (19) "Timber assessed value" for a taxing district means the timber assessed value for the county multiplied by a ratio. The numerator of the ratio is the total assessed value of forest land in the taxing district. The denominator is the total assessed value of forest land in the county. As used in this section, "assessed value of forest land" means the assessed value of forest land for taxes due in the year the timber assessed value for the county is calculated.

(20) "Timber management plan" means a plan prepared by a trained forester, or any other person with adequate knowledge of timber management practices, concerning the use of the land to grow and harvest timber. Such a plan includes:

(a) A legal description of the forest land;

(b) A statement that the forest land is held in contiguous ownership of twenty or more acres and is primarily devoted to and used to grow and harvest timber;

(c) A brief description of the timber on the forest land or, if the timber on the land has been harvested, the owner's plan to restock the land with timber;

(d) A statement about whether the forest land is also used to graze livestock;

(e) A statement about whether the land has been used in compliance with the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW; and

(f) If the land has been recently harvested or supports a growth of brush and noncommercial type timber, a description of the owner's plan to restock the forest land within three years.

Sec. 2. RCW 84.33.130 and 1994 c 301 s 32 are each amended to read as follows:

(1) Notwithstanding any other provision of law, lands that were assessed as classified forest land before the effective date of this section shall be designated forest land for the purposes of this chapter. The owners of previously classified forest land shall not be required to apply for designation under this chapter. As of the effective date of this section, the land and timber on such land shall be assessed and taxed in accordance with the provisions of this chapter.

(2) An owner of land desiring that it be designated as forest land and valued ((pursuant to RCW 84.33.120)) under RCW 84.33.140 as of January 1st of any year shall ((make)) submit an application to the ((county)) assessor ((before such)) of the county in which the land is located before January 1st of that year. The application shall be accompanied by a reasonable processing fee when the county legislative authority has established the requirement for such a fee,

(3) No application of designation is required when publicly owned forest land is exchanged for privately owned forest land designated under this chapter. The land exchanged and received by an owner subject to ad valorem taxation shall be automatically granted designation under this chapter if the following conditions are met:

(a) The land will be used to grow and harvest timber; and

(b) The owner of the land submits a document to the assessor's office that explains the details of the forest land exchange within sixty days of the closing date of the exchange. However, if the owner fails to submit information regarding the exchange by the end of this sixty-day period, the owner must file an application for designation as forest land under this chapter and the regular application process will be followed.

((2)) (4) The application shall be made upon forms prepared by the department ((of revenue)) and supplied by the ((county)) assessor, and shall include the following:

(a) A legal description of, or assessor's ((tax lot)) parcel numbers for, all land the applicant desires to be designated as forest land;

(b) The date or dates of acquisition of ((such)) the land;

(c) A brief description of the timber on ((such)) the land, or if the timber has been harvested, the owner's plan for restocking;

(d) ((Whether there is a forest)) A copy of the timber management plan, if one exists, for ((such)) the land prepared by a trained forester or any other person with adequate knowledge of timber management practices;

(e) If ((so;)) a timber management plan exists, an explanation of the nature and extent ((of implementation of such plan)) to which the management plan has been implemented;

(f) Whether ((such)) the land is used for grazing;

(g) Whether ((such)) the land has been subdivided or a plat has been filed with respect ((thereto)) to the land;

(h) Whether ~~((such))~~ the land and the applicant are in compliance with the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or any applicable ~~((regulations thereunder))~~ rules;

(i) Whether ~~((such))~~ the land is subject to forest fire protection assessments ~~((pursuant to))~~ under RCW 76.04.610;

(j) Whether ~~((such))~~ the land is subject to a lease, option, or other right ~~((which))~~ that permits it to be used for any purpose other than growing and harvesting timber;

(k) A summary of the past experience and activity of the applicant in growing and harvesting timber;

(l) A summary of current and continuing activity of the applicant in growing and harvesting timber;

(m) A statement that the applicant is aware of the potential tax liability involved when ~~((such))~~ the land ceases to be designated as forest land;

(n) An affirmation that the statements contained in the application are true and that the land described in the application ~~((is, by itself or with other forest land not included in the application, in contiguous ownership of twenty or more acres which is primarily devoted to and used for growing and harvesting timber))~~ meets the definition of forest land in RCW 84.33.035; and

(o) A description and/or drawing showing what areas of land for which designation is sought are used for incidental uses compatible with the definition of forest land in RCW 84.33.035.

~~(5)~~ The assessor shall afford the applicant an opportunity to be heard if the ~~((application))~~ applicant so requests.

~~((3))~~ (6) The assessor shall act upon the application with due regard to all relevant evidence and without any one or more items of evidence necessarily being determinative, except that the application may be denied for one of the following reasons, without regard to other items:

(a) The land does not contain either a "merchantable stand of timber" ~~((or an "adequate stocking"))~~ as defined ~~((by rule adopted by the forest practices board, except this reason (a)))~~ in chapter 76.09 RCW and applicable rules. This reason shall not alone be sufficient ((for denial of)) to deny the application (i) if ~~((such))~~ the land has been recently harvested or supports a growth of brush or noncommercial type timber, and the application includes a plan for restocking within three years or ~~((such))~~ a longer period necessitated by unavailability of seed or seedlings, or (ii) if only isolated areas within ~~((such))~~ the land do not meet ~~((such))~~ the minimum standards due to rock outcroppings, swamps, unproductive soil or other natural conditions;

(b) The applicant, with respect to ~~((such))~~ the land, has failed to comply with a final administrative or judicial order with respect to a violation of the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or any applicable ~~((regulations thereunder))~~ rules; or

(c) The land abuts a body of salt water and lies between the line of ordinary high tide and a line paralleling ~~((such)) the~~ ordinary high tide line and two hundred feet horizontally landward ~~((therefrom, except that)) from the high tide line. However, if the assessor determines that a higher and better use ((determined by the assessor to)) exists for ~~((such)) the~~ land but this use would not be permitted or economically feasible by virtue of any federal, state, or local law or regulation ~~((such)), the~~ land shall be assessed and valued ~~((pursuant to the procedures set forth in RCW 84.33.110 and 84.33.120))~~ under RCW 84.33.140 without being designated as forest land.~~

~~(7)~~ The application shall be deemed to have been approved unless, prior to May ~~((+)) 1st~~ of the year after ~~((such)) the~~ application was mailed or delivered to the assessor, the assessor ~~((shall notify))~~ notifies the applicant in writing of the extent to which the application is denied.

~~((4)) (8)~~ An owner who receives notice ~~((pursuant to subsection (3) of this section))~~ that his or her application has been denied, in whole or in part, may appeal ~~((such)) the~~ denial to the county board of equalization.

Sec. 3. RCW 84.33.140 and 1999 sp.s. c 4 s 703 are each amended to read as follows:

(1) When land has been designated as forest land ~~((pursuant to RCW 84.33.120(4) or))~~ under RCW 84.33.130, a notation of ~~((such)) the~~ designation shall be made each year upon the assessment and tax rolls~~(;)~~. A copy of the notice of approval together with the legal description or assessor's ~~((tax lot)) parcel numbers for ~~((such)) the~~ land shall, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded~~((; and such))~~.~~

(2) In preparing the assessment roll as of January 1, 2002, for taxes payable in 2003 and each January 1st thereafter, the assessor shall list each parcel of designated forest land at a value with respect to the grade and class provided in this subsection and adjusted as provided in subsection (3) of this section. The assessor shall compute the assessed value of the land using the same assessment ratio applied generally in computing the assessed value of other property in the county. Values for the several grades of bare forest land shall be as follows:

<u>LAND GRADE</u>	<u>OPERABILITY CLASS</u>	<u>VALUES PER ACRE</u>
1	1	\$234
	2	229
	3	217
	4	157
2	1	198
	2	190
	3	183
	4	132
3	1	154
	2	149

	3	148
	4	113
	1	117
4	2	114
	3	113
	4	86
	1	85
5	2	78
	3	77
	4	52
	1	43
6	2	39
	3	39
	4	37
	1	21
7	2	21
	3	20
	4	20
8		1

(3) On or before December 31, 2001, the department shall adjust by rule under chapter 34.05 RCW, the forest land values contained in subsection (2) of this section in accordance with this subsection, and shall certify the adjusted values to the assessor who will use these values in preparing the assessment roll as of January 1, 2002. For the adjustment to be made on or before December 31, 2001, for use in the 2002 assessment year, the department shall:

(a) Divide the aggregate value of all timber harvested within the state between July 1, 1996, and June 30, 2001, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 84.33.074; and

(b) Divide the aggregate value of all timber harvested within the state between July 1, 1995, and June 30, 2000, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 84.33.074; and

(c) Adjust the forest land values contained in subsection (2) of this section by a percentage equal to one-half of the percentage change in the average values of harvested timber reflected by comparing the resultant values calculated under (a) and (b) of this subsection.

(4) For the adjustments to be made on or before December 31, 2002, and each succeeding year thereafter, the same procedure described in subsection (3) of this section shall be followed using harvester excise tax returns filed under RCW 84.33.074. However, this adjustment shall be made to the prior year's adjusted value, and the five-year periods for calculating average harvested timber values shall be successively one year more recent.

~~(5) Land ((shall be)) graded, assessed, and valued ((pursuant to RCW 84.33.110 and 84.33.120)) as forest land shall continue to be so graded, assessed, and valued until removal of ((such)) designation by the assessor upon the occurrence of any of the following:~~

~~(a) Receipt of notice from the owner to remove ((such)) the designation;~~

~~(b) Sale or transfer to an ownership making ((such)) the land exempt from ad valorem taxation;~~

~~(c) Sale or transfer of all or a portion of ((such)) the land to a new owner, unless the new owner has signed a notice of forest land designation continuance, except transfer to an owner who is an heir or devisee of a deceased owner, shall not, by itself, result in removal of ((classification)) designation. The signed notice of continuance shall be attached to the real estate excise tax affidavit provided for in RCW 82.45.150. The notice of continuance shall be on a form prepared by the department ((of revenue)). If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all compensating taxes calculated ((pursuant to)) under subsection ((3)) (11) of this section shall become due and payable by the seller or transferor at time of sale. The ((county)) auditor shall not accept an instrument of conveyance of designated forest land for filing or recording unless the new owner has signed the notice of continuance or the compensating tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection ((3)) (11) of this section to the county board of equalization. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;~~

~~(d) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that:~~

~~(i) ((Such)) The land is no longer primarily devoted to and used for growing and harvesting timber. However, land shall not be removed from designation if a governmental agency, organization, or other recipient identified in subsection ((5)) (13) or ((6)) (14) of this section as exempt from the payment of compensating tax has manifested its intent in writing or by other official action to acquire a property interest in the designated forest land by means of a transaction that qualifies for an exemption under subsection ((5)) (13) or ((6)) (14) of this section. The governmental agency, organization, or recipient shall annually provide the assessor of the county in which the land is located reasonable evidence in writing of the intent to acquire the designated land as long as the intent continues or within sixty days of a request by the assessor. The assessor may not request this evidence more than once in a calendar year;~~

~~(ii) The owner has failed to comply with a final administrative or judicial order with respect to a violation of the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or any applicable ((regulations thereunder)) rules; or~~

(iii) Restocking has not occurred to the extent or within the time specified in the application for designation of such land.

~~((Removal of designation upon occurrence of any of (a) through (c) of this subsection shall apply only to the land affected, and upon occurrence of (d) of this subsection shall apply only to the actual area of land no longer primarily devoted to and used for growing and harvesting timber, without regard to other land that may have been included in the same application and approval for designation: PROVIDED, That any remaining designated forest land meets necessary definitions of forest land pursuant to RCW 84.33.100:~~

~~—(2)) (6) Land shall not be removed from designation if there is a governmental restriction that prohibits, in whole or in part, the harvesting of timber from the owner's designated forest land. If only a portion of the parcel is impacted by governmental restrictions of this nature, the restrictions cannot be used as a basis to remove the remainder of the forest land from designation under this chapter. For the purposes of this section, "governmental restrictions" includes: (a) Any law, regulation, rule, ordinance, program, or other action adopted or taken by a federal, state, county, city, or other governmental entity; or (b) the land's zoning or its presence within an urban growth area designated under RCW 36.70A.110.~~

~~(7) The assessor shall have the option of requiring an owner of forest land to file a timber management plan with the assessor upon the occurrence of one of the following:~~

~~(a) An application for designation as forest land is submitted; or~~

~~(b) Designated forest land is sold or transferred and a notice of continuance, described in subsection (5)(c) of this section, is signed.~~

~~(8) If land is removed from designation because of any of the circumstances listed in subsection (5)(a) through (c) of this section, the removal shall apply only to the land affected. If land is removed from designation because of subsection (5)(d) of this section, the removal shall apply only to the actual area of land that is no longer primarily devoted to the growing and harvesting of timber, without regard to any other land that may have been included in the application and approved for designation, as long as the remaining designated forest land meets the definition of forest land contained in RCW 84.33.035.~~

~~(9) Within thirty days after ((such)) the removal of designation ((of)) as forest land, the assessor shall notify the owner in writing, setting forth the reasons for ((such)) the removal. The seller, transferor, or owner may appeal ((such)) the removal to the county board of equalization.~~

~~((3)) (10) Unless the removal is reversed on appeal a copy of the notice of removal with a notation of the action, if any, upon appeal, together with the legal description or assessor's ((tax lot)) parcel numbers for the land removed from designation shall, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded((, and commencing on January 1 of the year following the year in which the assessor mailed such notice, such land shall be assessed on the same basis as real property is assessed generally in that county))~~

and a notation of removal from designation shall immediately be made upon the assessment and tax rolls. The assessor shall revalue the land to be removed with reference to its true and fair value as of January 1st of the year of removal from designation. Both the assessed value before and after the removal of designation shall be listed. Taxes based on the value of the land as forest land shall be assessed and payable up until the date of removal and taxes based on the true and fair value of the land shall be assessed and payable from the date of removal from designation.

~~(11)~~ Except as provided in subsection ~~((+)(c), (5), or (6))~~ (5)(c), (13), or (14) of this section, a compensating tax shall be imposed ~~((which))~~ on land removed from designation as forest land. The compensating tax shall be due and payable to the ~~((county))~~ treasurer thirty days after the owner is notified of the amount of ~~((the compensating))~~ this tax. As soon as possible after the land is removed from designation, the assessor shall compute the amount of ~~((such))~~ compensating tax and mail a notice to the owner of the amount ~~((thereof))~~ of compensating tax owed and the date on which payment of this tax is due. The amount of ~~((such))~~ compensating tax shall be equal to the difference between the amount of tax last levied on ~~((such))~~ the land as designated forest land and an amount equal to the new assessed ~~((valuation))~~ value of ((such)) the land multiplied by the dollar rate of the last levy extended against ~~((such))~~ the land, multiplied by a number, in no event greater than ~~((ten))~~ nine, equal to the number of years for which ~~((such))~~ the land was designated as forest land, plus compensating taxes on the land at forest land values up until the date of removal and the prorated taxes on the land at true and fair value from the date of removal to the end of the current tax year.

~~((4))~~ (12) Compensating tax, together with applicable interest thereon, shall become a lien on ~~((such))~~ the land which shall attach at the time ~~((such))~~ the land is removed from designation as forest land and shall have priority to and shall be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which ~~((such))~~ the land may become charged or liable. ~~((Such))~~ The lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050. Any compensating tax unpaid on its due date shall thereupon become delinquent. From the date of delinquency until paid, interest shall be charged at the same rate applied by law to delinquent ad valorem property taxes.

~~((5))~~ (13) The compensating tax specified in subsection ~~((3))~~ (11) of this section shall not be imposed if the removal of designation ~~((pursuant to))~~ under subsection ~~((+))~~ (5) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other forest land located within the state of Washington;

(b) A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power;

(c) A donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections, or the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in chapter 79.70 RCW(~~(-PROVIDED; That)~~), At such time as the land is not used for the purposes enumerated, the compensating tax specified in subsection ~~((3))~~ (11) of this section shall be imposed upon the current owner;

(d) The sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;

(e) Official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present use of ~~((such))~~ the land;

(f) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or

(g) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

~~((6))~~ (14) In a county with a population of more than one million inhabitants, the compensating tax specified in subsection ~~((3))~~ (11) of this section shall not be imposed if the removal of ~~((classification))~~ designation as forest land ~~((pursuant to))~~ under subsection ~~((4))~~ (5) of this section resulted solely from:

(a) An action described in subsection ~~((5))~~ (13) of this section; or

(b) A transfer of a property interest to a government entity, or to a nonprofit historic preservation corporation or nonprofit nature conservancy corporation, as defined in RCW 64.04.130, to protect or enhance public resources, or to preserve, maintain, improve, restore, limit the future use of, or otherwise to conserve for public use or enjoyment, the property interest being transferred. At such time as the property interest is not used for the purposes enumerated, the compensating tax shall be imposed upon the current owner.

Sec. 4. RCW 84.33.145 and 1999 sp.s. c 4 s 704 are each amended to read as follows:

(1) If no later than thirty days after removal of ~~((classification or))~~ designation the owner applies for classification under RCW 84.34.020 (1), (2), or (3), then the ~~((classified or))~~ designated forest land shall not be considered removed from ~~((classification or))~~ designation for purposes of the compensating tax under RCW ~~((84.33.120 or))~~ 84.33.140 until the application for current use classification under chapter 84.34 RCW ~~((84.34.036))~~ is denied or the property is removed from ~~((designation))~~ classification under RCW 84.34.108. Upon removal ~~((from~~

~~designation)) of classification~~ under RCW 84.34.108, the amount of compensating tax due under this chapter shall be equal to:

(a) The difference, if any, between the amount of tax last levied on ~~((such)) the~~ land as designated forest land and an amount equal to the new assessed valuation of ~~((such)) the~~ land when removed from ~~((designation)) classification~~ under RCW 84.34.108 multiplied by the dollar rate of the last levy extended against ~~((such)) the~~ land, multiplied by

(b) A number equal to:

(i) The number of years the land was ~~((classified-or))~~ designated under this chapter, if the total number of years the land was ~~((classified-or))~~ designated under this chapter and classified under chapter 84.34 RCW is less than ten; or

(ii) Ten minus the number of years the land was classified under chapter 84.34 RCW, if the total number of years the land was ~~((classified-or))~~ designated under this chapter and classified under chapter 84.34 RCW is at least ten.

(2) Nothing in this section authorizes the continued ~~((classification-or))~~ designation under this chapter or defers or reduces the compensating tax imposed upon forest land not transferred to classification under subsection (1) of this section which does not meet the ~~((necessary))~~ definition~~((s))~~ of forest land under RCW ~~((84.33.100))~~ 84.33.035. Nothing in this section affects the additional tax imposed under RCW 84.34.108.

(3) In a county with a population of more than one million inhabitants, no amount of compensating tax is due under this section if the removal from classification under RCW 84.34.108 results from a transfer of property described in RCW 84.34.108(6).

Sec. 5. RCW 84.33.170 and 1995 c 165 s 2 are each amended to read as follows:

Notwithstanding any provision of this chapter to the contrary, this chapter shall not exempt from the ad valorem tax nor subject to the excise tax imposed by this chapter, Christmas trees and short-rotation hardwoods, which are cultivated by agricultural methods, and ~~((such)) the~~ land on which ~~((such)) the~~ Christmas trees and short-rotation hardwoods stand shall not be taxed as provided in RCW ~~((84.33.100 through))~~ 84.33.140. However, short-rotation hardwoods, which are cultivated by agricultural methods, on land classified as timber land under chapter 84.34 RCW, shall be subject to the excise tax imposed under this chapter.

Sec. 6. RCW 84.33.210 and 1992 c 52 s 7 are each amended to read as follows:

(1) Any ~~((forest))~~ land that is designated ~~((for classification pursuant to))~~ as forest land under this chapter ~~((84.33-RCW))~~ at the earlier of the times the legislative authority of a local government adopts a resolution, ordinance, or legislative act (a) to create a local improvement district, in which ~~((such)) the~~ land is included or would have been included but for ~~((such classification))~~ the designation, or (b) to approve or confirm a final special benefit assessment roll relating to a sanitary or storm sewerage system, domestic water supply or

distribution system, or road construction or improvement, which roll would have included ~~((such)) the~~ land but for ~~((such classification)) the~~ designation, shall be exempt from special benefit assessments or charges in lieu of assessment for such purposes as long as that land remains ~~((in such classification))~~ designated as forest land, except as otherwise provided in RCW 84.33.250.

(2) Whenever a local government creates a local improvement district, the levying, collection, and enforcement of assessments shall be in the manner and subject to the same procedures and limitations as are provided ~~((pursuant to))~~ under the law concerning the initiation and formation of local improvement districts for the particular local government. Notice of the creation of a local improvement district that includes designated forest land shall be filed with the ~~((county))~~ assessor and the legislative authority of the county in which ~~((such)) the~~ land is located. The ~~((county))~~ assessor, upon receiving notice of the creation of ~~((such))~~ a local improvement district, shall send a notice to the owners of the designated forest lands listed on the tax rolls of the applicable ~~((county))~~ treasurer of:

(a) The creation of the local improvement district;

(b) The exemption of that land from special benefit assessments;

(c) The fact that the designated forest land may become subject to the special benefit assessments if the owner waives the exemption by filing a notarized document with the governing body of the local government creating the local improvement district before the confirmation of the final special benefit assessment roll; and

(d) The potential liability, pursuant to RCW 84.33.220, if the exemption is not waived and the land is subsequently removed from ~~((the))~~ designated forest land status.

(3) When a local government approves and confirms a special benefit assessment roll, from which designated forest land has been exempted ~~((pursuant to))~~ under this section, it shall file a notice of ~~((such)) this~~ action with the ~~((county))~~ assessor and the legislative authority of the county in which ~~((such)) the~~ land is located and with the treasurer of that local government~~((, which))~~. The notice shall describe the action taken, the type of improvement involved, the land exempted, and the amount of the special benefit assessment that would have been levied against the land if it had not been exempted. The filing of ~~((such)) the~~ notice with the ~~((county))~~ assessor and the treasurer of that local government shall constitute constructive notice to a purchaser or encumbrancer of the affected land, and every person whose conveyance or encumbrance is subsequently executed or subsequently recorded, that ~~((such)) the~~ exempt land is subject to the charges provided in RCW 84.33.220 and 84.33.230, if ~~((such)) the~~ land is ~~((withdrawn or))~~ removed from its ~~((classification))~~ designation as forest land.

(4) The owner of the land exempted from special benefit assessments ~~((pursuant to))~~ under this section may waive that exemption by filing a notarized document to that effect with the legislative authority of the local government upon receiving notice from said local government concerning the assessment roll hearing

and before the local government confirms the final special benefit assessment roll. A copy of that waiver shall be filed by the local government with the ~~((county))~~ assessor, but the failure ~~((of such filing))~~ to file this copy shall not affect the waiver.

(5) Except to the extent provided in RCW 84.33.250, the local government shall have no duty to furnish service from the improvement financed by the special benefit assessment to ~~((such))~~ the exempted land.

Sec. 7. RCW 84.33.220 and 1992 c 52 s 8 are each amended to read as follows:

Whenever forest land has ~~((once))~~ been exempted from special benefit assessments ~~((pursuant to))~~ under RCW 84.33.210, any ~~((withdrawal))~~ removal from ~~((classification))~~ designation or change in use from forest land under this chapter ~~((84.33 RCW))~~ shall result in the following:

(1) If the bonds used to fund the improvement in the local improvement district have not been completely retired, ~~((such))~~ the land shall immediately become liable for:

(a) The amount of the special benefit assessment listed in the notice provided for in RCW 84.33.210; plus

(b) Interest on the amount determined in (a) of this subsection, compounded annually at a rate equal to the average rate of inflation from the time the initial notice is filed by the governmental entity that created the local improvement district as provided in RCW 84.33.210, to the time the owner ~~((withdraws such))~~ or the assessor removes the land from the exemption category provided by this chapter; or

(2) If the bonds used to fund the improvement in the local improvement district have been completely retired, ~~((such))~~ the land shall immediately become liable for:

(a) The amount of the special benefit assessment listed in the notice provided for in RCW 84.33.210; plus

(b) Interest on the amount determined in (a) of this subsection compounded annually at a rate equal to the average rate of inflation from the time the initial notice is filed by the governmental entity that created the local improvement district as provided in RCW 84.33.210, to the time the bonds used to fund the improvement have been retired; plus

(c) Interest on the total amount determined in (a) and (b) of this subsection at a simple per annum rate equal to the average rate of inflation from the time the bonds used to fund the improvement have been retired to the time the owner ~~((withdraws such))~~ or the assessor removes the land~~((s))~~ from the exemption category provided by this chapter;

(3) The amount payable ~~((pursuant to))~~ under this section shall become due on the date ~~((such))~~ the land is ~~((withdrawn or))~~ removed from its forest land ~~((classification and))~~ designation. This amount shall be a lien on the land prior and superior to any other lien whatsoever except for the lien for general taxes, and shall

be enforceable in the same manner as the collection of special benefit assessments are enforced by that local government.

Sec. 8. RCW 84.33.230 and 1992 c 52 s 9 are each amended to read as follows:

Whenever forest land is ~~((withdrawn or))~~ removed from its forest land ~~((classification))~~ designation, the ~~((county))~~ assessor of the county in which ~~((such))~~ the land is located shall forthwith give written notice of ~~((such withdrawal or))~~ the removal to the local government or its successor that ~~((had))~~ filed with the assessor the notice required by RCW 84.33.210. Upon receipt of the notice from the assessor, the local government shall mail a written statement to the owner of ~~((such))~~ the land for the amounts payable as provided in RCW 84.33.220. ~~((Such))~~ The amounts due shall be delinquent if not paid within one hundred eighty days after the date of mailing of the statement~~((, and))~~. The amount payable shall be subject to the same interest, penalties, lien priority, and enforcement procedures that are applicable to delinquent assessments on the assessment roll from which that land had been exempted, except that the rate of interest charged shall not exceed the rate provided in RCW 84.33.220.

Sec. 9. RCW 84.33.250 and 1992 c 52 s 11 are each amended to read as follows:

The department ~~((of revenue))~~ shall adopt rules it shall deem necessary to implement RCW ~~((84.33.100 and))~~ 84.33.210 through 84.33.270, which shall include, but not be limited to, procedures to determine the extent to which a portion of the land otherwise exempt may be subject to a special benefit assessment for: (1) The actual connection to the domestic water system or sewerage facilities; (2) ~~((for))~~ access to the road improvement in relation to its value as forest land as distinguished from its value under more intensive uses; and (3) ~~((for such))~~ the lands that benefit from or cause the need for a local improvement district. The provision for limited special benefit assessments shall not relieve ~~((such))~~ the land from liability for the amounts provided in RCW 84.33.220 and 84.33.230 when ~~((such))~~ the land is ~~((withdrawn or))~~ removed from its forest land ~~((classification))~~ designation.

Sec. 10. RCW 84.33.260 and 1992 c 52 s 12 are each amended to read as follows:

Whenever a portion of a parcel of land that was ~~((classified))~~ designated as forest land ~~((pursuant to))~~ under this chapter is ~~((withdrawn))~~ removed from ~~((classification))~~ designation or there is a change in use, and ~~((such))~~ the land has been exempted from any benefit assessments ~~((pursuant to))~~ under RCW 84.33.210, the previously exempt benefit assessments shall become due on only that portion of the land that is ~~((withdrawn))~~ removed or changed in use.

Sec. 11. RCW 84.33.270 and 1992 c 52 s 13 are each amended to read as follows:

(1) Forest land on which the right ~~((to))~~ of future development has been acquired by any local government, the state of Washington, or the United States government shall be exempt from special benefit assessments in lieu of assessment for ~~((such))~~ the purposes in the same manner, and under the same liabilities for payment and interest, as land ~~((classified))~~ designated under this chapter as forest land, for as long as ~~((such classification))~~ the designation applies.

(2) Any interest, development right, easement, covenant, or other contractual right that effectively protects, preserves, maintains, improves, restores, prevents the future nonforest use of, or otherwise conserves forest land shall be exempt from special benefit assessments as long as ~~((such))~~ the development right or other ~~((such))~~ interest effectively serves to prevent nonforest development of ~~((such))~~ the land.

Sec. 12. RCW 84.34.020 and 1998 c 320 s 7 are each amended to read as follows:

As used in this chapter, unless a different meaning is required by the context:

(1) "Open space land" means (a) any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly, or (b) any land area, the preservation of which in its present use would (i) conserve and enhance natural or scenic resources, or (ii) protect streams or water supply, or (iii) promote conservation of soils, wetlands, beaches or tidal marshes, or (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space, or (v) enhance recreation opportunities, or (vi) preserve historic sites, or (vii) preserve visual quality along highway, road, and street corridors or scenic vistas, or (viii) retain in its natural state tracts of land not less than one acre situated in an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space classification, or (c) any land meeting the definition of farm and agricultural conservation land under subsection (8) of this section. As a condition of granting open space classification, the legislative body may not require public access on land classified under (b)(iii) of this subsection for the purpose of promoting conservation of wetlands.

(2) "Farm and agricultural land" means:

(a) Any parcel of land that is twenty or more acres or multiple parcels of land that are contiguous and total twenty or more acres:

(i) Devoted primarily to the production of livestock or agricultural commodities for commercial purposes;

(ii) Enrolled in the federal conservation reserve program or its successor administered by the United States department of agriculture; or

(iii) Other similar commercial activities as may be established by rule;

(b) Any parcel of land that is five acres or more but less than twenty acres devoted primarily to agricultural uses, which has produced a gross income from agricultural uses equivalent to, as of January 1, 1993:

(i) One hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and

(ii) On or after January 1, 1993, two hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter;

(c) Any parcel of land of less than five acres devoted primarily to agricultural uses which has produced a gross income as of January 1, 1993, of:

(i) One thousand dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and

(ii) On or after January 1, 1993, fifteen hundred dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter.

Parcels of land described in (b)(i) and (c)(i) of this subsection shall, upon any transfer of the property excluding a transfer to a surviving spouse, be subject to the limits of (b)(ii) and (c)(ii) of this subsection.

~~((Agricultural lands shall also include such))~~ (d) Any lands including incidental uses as are compatible with agricultural purposes, including wetlands preservation, provided such incidental use does not exceed twenty percent of the classified land and the land on which appurtenances necessary to the production, preparation, or sale of the agricultural products exist in conjunction with the lands producing such products. Agricultural lands shall also include any parcel of land of one to five acres, which is not contiguous, but which otherwise constitutes an integral part of farming operations being conducted on land qualifying under this section as "farm and agricultural lands"; or

~~((d))~~ (e) The land on which housing for employees and the principal place of residence of the farm operator or owner of land classified pursuant to (a) of this subsection is sited if: The housing or residence is on or contiguous to the classified parcel; and the use of the housing or the residence is integral to the use of the classified land for agricultural purposes.

(3) "Timber land" means any parcel of land that is five or more acres or multiple parcels of land that are contiguous and total five or more acres which is or are devoted primarily to the growth and harvest of ~~((forest crops))~~ timber for commercial purposes. A timber management plan shall be filed with the county legislative authority at the time (a) an application is made for classification as timber land pursuant to this chapter or (b) when a sale or transfer of timber land occurs and a notice of classification continuance is signed. Timber land means the land only.

(4) "Current" or "currently" means as of the date on which property is to be listed and valued by the assessor.

(5) "Owner" means the party or parties having the fee interest in land, except that where land is subject to real estate contract "owner" shall mean the contract vendee.

(6) "Contiguous" means land adjoining and touching other property held by the same ownership. Land divided by a public road, but otherwise an integral part of a farming operation, shall be considered contiguous.

(7) "Granting authority" means the appropriate agency or official who acts on an application for classification of land pursuant to this chapter.

(8) "Farm and agricultural conservation land" means either:

(a) Land that was previously classified under subsection (2) of this section, that no longer meets the criteria of subsection (2) of this section, and that is reclassified under subsection (1) of this section; or

(b) Land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and that has a high potential for returning to commercial agriculture.

Sec. 13. RCW 84.34.065 and 2000 c 103 s 23 are each amended to read as follows:

The true and fair value of farm and agricultural land shall be determined by consideration of the earning or productive capacity of comparable lands from crops grown most typically in the area averaged over not less than five years, capitalized at indicative rates. The earning or productive capacity of farm and agricultural lands shall be the "net cash rental", capitalized at a "rate of interest" charged on long term loans secured by a mortgage on farm or agricultural land plus a component for property taxes. The current use value of land under RCW 84.34.020(2)(~~(d)~~) (e) shall be established as: The prior year's average value of open space farm and agricultural land used in the county plus the value of land improvements such as septic, water, and power used to serve the residence. This shall not be interpreted to require the assessor to list improvements to the land with the value of the land.

For the purposes of the above computation:

(1) The term "net cash rental" shall mean the average rental paid on an annual basis, in cash, for the land being appraised and other farm and agricultural land of similar quality and similarly situated that is available for lease for a period of at least three years to any reliable person without unreasonable restrictions on its use for production of agricultural crops. There shall be allowed as a deduction from the rental received or computed any costs of crop production charged against the landlord if the costs are such as are customarily paid by a landlord. If "net cash rental" data is not available, the earning or productive capacity of farm and agricultural lands shall be determined by the cash value of typical or usual crops grown on land of similar quality and similarly situated averaged over not less than

five years. Standard costs of production shall be allowed as a deduction from the cash value of the crops.

The current "net cash rental" or "earning capacity" shall be determined by the assessor with the advice of the advisory committee as provided in RCW 84.34.145, and through a continuing internal study, assisted by studies of the department of revenue. This net cash rental figure as it applies to any farm and agricultural land may be challenged before the same boards or authorities as would be the case with regard to assessed values on general property.

(2) The term "rate of interest" shall mean the rate of interest charged by the farm credit administration and other large financial institutions regularly making loans secured by farm and agricultural lands through mortgages or similar legal instruments, averaged over the immediate past five years.

The "rate of interest" shall be determined annually by a rule adopted by the department of revenue and such rule shall be published in the state register not later than January 1 of each year for use in that assessment year. The department of revenue determination may be appealed to the state board of tax appeals within thirty days after the date of publication by any owner of farm or agricultural land or the assessor of any county containing farm and agricultural land.

(3) The "component for property taxes" shall be a figure obtained by dividing the assessed value of all property in the county into the property taxes levied within the county in the year preceding the assessment and multiplying the quotient obtained by one hundred.

Sec. 14. RCW 84.34.108 and 1999 sp.s. c 4 s 706 and 1999 c 233 s 22 are each reenacted and amended to read as follows:

(1) When land has once been classified under this chapter, a notation of ~~((such))~~ the classification shall be made each year upon the assessment and tax rolls and ~~((such))~~ the land shall be valued pursuant to RCW 84.34.060 or 84.34.065 until removal of all or a portion of ~~((such))~~ the classification by the assessor upon occurrence of any of the following:

(a) Receipt of notice from the owner to remove all or a portion of ~~((such))~~ the classification;

(b) Sale or transfer to an ownership, except a transfer that resulted from a default in loan payments made to or secured by a governmental agency that intends to or is required by law or regulation to resell the property for the same use as before, making all or a portion of ~~((such))~~ the land exempt from ad valorem taxation;

(c) Sale or transfer of all or a portion of ~~((such))~~ the land to a new owner, unless the new owner has signed a notice of classification continuance, except transfer to an owner who is an heir or devisee of a deceased owner shall not, by itself, result in removal of classification. The notice of continuance shall be on a form prepared by the department ~~((of revenue))~~. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all additional taxes calculated pursuant to subsection (4) of this section shall become

due and payable by the seller or transferor at time of sale. The ((county)) auditor shall not accept an instrument of conveyance of classified land for filing or recording unless the new owner has signed the notice of continuance or the additional tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (4) of this section to the county board of equalization. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;

(d) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that all or a portion of ((such)) the land no longer meets the criteria for classification under this chapter. The criteria for classification pursuant to this chapter continue to apply after classification has been granted.

The granting authority, upon request of an assessor, shall provide reasonable assistance to the assessor in making a determination whether ((such)) the land continues to meet the qualifications of RCW 84.34.020 (1) or (3). The assistance shall be provided within thirty days of receipt of the request.

(2) Land may not be removed from classification because of:

(a) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or

(b) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

(3) Within thirty days after such removal of all or a portion of ((such)) the land from current use classification, the assessor shall notify the owner in writing, setting forth the reasons for ((such)) the removal. The seller, transferor, or owner may appeal ((such)) the removal to the county board of equalization.

(4) Unless the removal is reversed on appeal, the assessor shall revalue the affected land with reference to ((full-market)) its true and fair value on ((the date)) January 1st of the year of removal from classification. Both the assessed valuation before and after the removal of classification shall be listed and taxes shall be allocated according to that part of the year to which each assessed valuation applies. Except as provided in subsection (6) of this section, an additional tax, applicable interest, and penalty shall be imposed which shall be due and payable to the ((county)) treasurer thirty days after the owner is notified of the amount of the additional tax. As soon as possible, the assessor shall compute the amount of ((such-an)) additional tax, applicable interest, and penalty and the treasurer shall mail notice to the owner of the amount thereof and the date on which payment is due. The amount of ((such)) the additional tax, applicable interest, and penalty shall be determined as follows:

(a) The amount of additional tax shall be equal to the difference between the property tax paid as "open space land", "farm and agricultural land", or "timber land" and the amount of property tax otherwise due and payable for the seven years last past had the land not been so classified;

(b) The amount of applicable interest shall be equal to the interest upon the amounts of ~~((such)) the~~ additional tax paid at the same statutory rate charged on delinquent property taxes from the dates on which ~~((such)) the~~ additional tax could have been paid without penalty if the land had been assessed at a value without regard to this chapter;

(c) The amount of the penalty shall be as provided in RCW 84.34.080. The penalty shall not be imposed if the removal satisfies the conditions of RCW 84.34.070.

(5) Additional tax, applicable interest, and penalty, shall become a lien on ~~((such)) the~~ land which shall attach at the time ~~((such)) the~~ land is removed from classification under this chapter and shall have priority to and shall be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation or responsibility to or with which ~~((such)) the~~ land may become charged or liable. ~~((Such)) This~~ lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050 now or as hereafter amended. Any additional tax unpaid on its due date shall thereupon become delinquent. From the date of delinquency until paid, interest shall be charged at the same rate applied by law to delinquent ad valorem property taxes.

(6) The additional tax, applicable interest, and penalty specified in subsection (4) of this section shall not be imposed if the removal of classification pursuant to subsection (1) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other land located within the state of Washington;

(b)(i) A taking through the exercise of the power of eminent domain, or (ii) sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power, said entity having manifested its intent in writing or by other official action;

(c) A natural disaster such as a flood, windstorm, earthquake, or other such calamity rather than by virtue of the act of the landowner changing the use of ~~((such)) the~~ property;

(d) Official action by an agency of the state of Washington or by the county or city within which the land is located which disallows the present use of ~~((such)) the~~ land;

(e) Transfer of land to a church when ~~((such)) the~~ land would qualify for exemption pursuant to RCW 84.36.020;

(f) Acquisition of property interests by state agencies or agencies or organizations qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections~~((: PROVIDED, That))~~. At such time as these property interests are not used for the purposes enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified in subsection (4) of this section shall be imposed;

(g) Removal of land classified as farm and agricultural land under RCW 84.34.020(2)((d)) (e);

(h) Removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;

(i) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or

(j) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

NEW SECTION. Sec. 15. The following sections are decodified:

(1) RCW 84.33.112 (Forest land valuation—Grading forest land—Completion date—Hearings);

(2) RCW 84.33.113 (Forest land valuation—Grading forest land—Review of grades);

(3) RCW 84.33.114 (Forest land valuation—Grading forest land—Certification of grades to department of revenue by department of natural resources);

(4) RCW 84.33.115 (Forest land valuation—Grading forest land—Certification of grades to county assessors—Placement of forest land within land grades);

(5) RCW 84.33.116 (Forest land valuation—Grading forest land—Notice to owners of grades—Petition for correction of grade—Appeal); and

(6) RCW 84.33.118 (Forest land valuation—Grading forest land—Notice to owners of value established—Petitions for correction of value).

NEW SECTION. Sec. 16. The following acts or parts of acts are each repealed:

(1) RCW 84.33.020 (Classification of timberlands) and 1990 c 33 s 599, 1984 c 204 s 17, & 1971 ex.s. c 294 s 2;

(2) RCW 84.33.073 (Definitions) and 1995 c 325 s 1, 1987 c 166 s 2, 1986 c 315 s 2, 1982 2nd ex.s. c 4 s 3, & 1981 c 146 s 1;

(3) RCW 84.33.100 (Forest land valuation—Definitions) and 1999 c 153 s 70, 1992 c 52 s 6, 1983 c 3 s 224, & 1971 ex.s. c 294 s 10;

(4) RCW 84.33.110 (Forest land valuation—Grading forest land—Classes) and 1981 c 148 s 4, 1974 ex.s. c 187 s 4, & 1971 ex.s. c 294 s 11; and

(5) RCW 84.33.120 (Forest land valuation—Assessor to list forest land at grade and class values—Computation of assessed value—Adjustment of values—Certification—Use—Notice of continuance—Appeals—Removal of classification—Compensating tax) and 1999 sp.s. c 4 s 702, 1999 c 233 s 20, 1997 c 299 s 1, 1995 c 330 s 1, 1992 c 69 s 1, 1986 c 238 s 1, 1984 c 204 s 23, 1981 c 148 s 7, 1980 c 134 s 2, 1974 ex.s. c 187 s 5, 1972 ex.s. c 148 s 5, & 1971 ex.s. c 294 s 12.

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CHAPTER 250

[Substitute Senate Bill 5862]

TRUST LANDS—SALE OF VALUABLE MATERIALS

AN ACT Relating to improving the business practices associated with selling valuable materials on trust land; amending RCW 79.01.084, 79.01.116, 79.01.124, 79.01.132, 79.01.160, 79.01.184, 79.01.188, 79.01.204, 79.01.232, 79.01.240, 79.01.340, 79.01.392, 79.01.795, 79.64.030, 79.64.040, and 79.64.050; and adding new sections to chapter 79.01 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 79.01.084 and 1982 1st ex.s. c 21 s 150 are each amended to read as follows:

The commissioner of public lands shall cause to be prepared, and furnish to applicants, blank forms of applications for the appraisal, transfer, and purchase of any state lands and the purchase of ~~((timber, fallen timber, stone, gravel, or other))~~ valuable materials situated thereon, and for the lease of state lands~~((, which))~~. These forms shall contain ~~((such))~~ instructions ~~((as with))~~ to inform and aid ~~((intending))~~ applicants ~~((in making applications))~~.

Sec. 2. RCW 79.01.116 and 1982 1st ex.s. c 21 s 152 are each amended to read as follows:

(1) In no case shall any lands granted to the state be offered for sale unless the same shall have been appraised by the board of natural resources within ninety days prior to the date fixed for the sale((, and in no case shall any other state lands, or any materials on any state lands, be offered for sale unless the same shall have been appraised by the commissioner of public lands within ninety days prior to the date fixed for the sale)).

(2) For the sale of valuable materials from state land under this title, if the board of natural resources is required by law to appraise the sale, the board must establish a minimum appraisal value that is valid for a period of one hundred eighty days, or a longer period as may be established by resolution. The board may reestablish the minimum appraisal value at any time. For any valuable materials sales that the board is required by law to appraise, the board may by resolution transfer this authority to the commissioner of public lands.

(3) Where the board of natural resources has set a minimum appraisal value for a valuable materials sale, the commissioner of public lands may set the final appraisal value of valuable materials for auction, which must be equal to or greater than the board of natural resources' minimum appraisal value. The commissioner may also appraise any valuable materials sale not required by law to be approved by the board of natural resources.

Sec. 3. RCW 79.01.124 and 1982 1st ex.s. c 21 s 154 are each amended to read as follows:

~~((Timber, fallen timber, stone, gravel, or other))~~ Valuable material situated upon state lands may be sold separate from the land, when in the judgment of the commissioner of public lands, it is for the best interest of the state so to sell the same~~((, and in case the estimated amount of timber on any tract of state lands, shall exceed one million feet to the quarter section, the timber shall be sold separate from the land))~~. When application is made for the purchase of any valuable materials ~~((situated upon state lands, the same inspection and report shall be had as upon an application for the appraisal and sale of such lands, and))~~, the commissioner of public lands shall appraise the value of the valuable materials ~~((applied for))~~ if the commissioner determines it is in the best interest of the state to sell. No ~~((timber, fallen timber, stone, gravel, or other))~~ valuable materials~~((;))~~ shall be sold for less than the appraised value thereof.

Sec. 4. RCW 79.01.132 and 1999 c 51 s 1 are each amended to read as follows:

(1) When ~~((any timber, fallen timber, stone, gravel, or other))~~ valuable materials on state lands ~~((is))~~ are sold separate from the land, ~~((it))~~ they may be sold as a lump sum sale or as a scale sale. Lump sum sales under five thousand dollars appraised value shall be paid for in cash on the day of sale. The initial deposit shall be maintained until all contract obligations of the purchaser are satisfied. However, all or a portion of the initial deposit may be applied as the final payment for the valuable materials in the event the department of natural resources determines that adequate security exists for the performance or fulfillment of any remaining obligations of the purchaser under the sale contract.

(2) The initial deposits required in RCW 79.01.204~~((;))~~ may not ~~((to))~~ exceed twenty-five percent of the actual or projected purchase price, but in the case of lump sum sales appraised at over five thousand dollars the initial deposit may not be less than five thousand dollars, and shall be made on the day of the sale~~((, and in the case of))~~. For those sales appraised below the amount specified in RCW 79.01.200, the department of natural resources may require full cash payment on the day of sale.

(3) The purchaser shall notify the department of natural resources before any ~~((timber is cut and before removal or processing of any valuable materials on the sale area, at which time))~~ operation takes place on the sale site. Upon notification, the department of natural resources ~~((may))~~ shall determine and require~~((in the amount determined by the department;))~~ advance payment for the cutting, removal, or processing~~((; and/or cutting))~~ of ~~((timber or other))~~ the valuable materials, ~~((or))~~ or may allow purchasers to guarantee payment by submitting as adequate security bank letters of credit, payment bonds, ((or)) assignments of savings accounts, assignments of certificates of deposit, or other methods acceptable to the department as adequate security. The amount of such advance payments and/or security shall be determined by the department and at all times equal or exceed the

value of timber cut and other valuable materials processed or removed until paid for. ~~((The initial deposit shall be maintained until all contract obligations of the purchaser are satisfied. PROVIDED HOWEVER, That all or a portion of said initial deposit may be applied as the final payment for said materials in the event the department of natural resources determines that adequate security exists for the performance or fulfillment of any remaining obligations of the purchaser under the sale contract.))~~

(4) In all cases where ~~((timber, fallen timber, stone, gravel, or other))~~ valuable materials ~~((is))~~ are sold separate from the land, the same shall revert to the state if not removed from the land within the period specified in the sale contract. ~~((Said))~~ The specified period shall not exceed five years from the date of the purchase thereof: PROVIDED, That the specified periods in the sale contract for stone, sand, fill material, or building stone shall not exceed ~~((twenty))~~ thirty years ~~((: PROVIDED FURTHER, That))~~,

(5) In all cases where, in the judgment of the department of natural resources, the purchaser is acting in good faith and endeavoring to remove such materials, the department of natural resources may extend the time for the removal thereof for any period not exceeding ~~((twenty))~~ forty years from the date of purchase for the stone, sand, fill material, or building stone or for a total of ten years beyond the normal termination date specified in the original sale contract for all other material~~((:)).~~ Extension of a contract is contingent upon payment to the state of a sum to be fixed by the department of natural resources, based on the estimated loss of income per acre to the state resulting from the granting of the extension ~~((but))~~, In no event may the extension payment be less than fifty dollars per extension, plus interest on the unpaid portion of the contract. The interest rate shall be fixed, from time to time, by rule adopted by the board of natural resources and shall not be less than six percent per annum. The applicable rate of interest as fixed at the date of sale ((and)), the maximum extension payment ((shall be set forth in the contract)), and the method for calculating the unpaid portion of the contract upon which such interest shall be paid by the purchaser shall be set forth in the contract. The department of natural resources shall pay into the state treasury all sums received for such extension and the same shall be credited to the fund to which was credited the original purchase price of the material so sold.

~~((However;))~~ (6) A direct sale of valuable materials may be sold to the applicant for cash at full appraised value without notice or advertising. The board of natural resources shall, by resolution, establish the value amount of a direct sale not to exceed twenty thousand dollars in appraised sale value, and establish procedures to assure that competitive market prices and accountability will be guaranteed.

(7) The department may, in addition to any other securities, require a performance security to guarantee compliance with all contract requirements. The security is limited to those types listed in subsection (3) of this section. The value

of the performance security will, at all times, equal or exceed the value of work performed or to be performed by the purchaser.

(8) Any time that the department of natural resources sells timber by contract that includes a performance bond, the department shall require the purchaser to present proof of any and all taxes paid prior to the release of the performance bond. Within thirty days of payment of taxes due by the timber purchaser, the county treasurer shall provide certified evidence of taxes paid, clearly disclosing the sale contract number.

(9) The provisions of this section apply unless otherwise provided by statute. The board of natural resources shall establish procedures to protect against cedar theft and to ensure adequate notice is given for persons interested in purchasing cedar.

Sec. 5. RCW 79.01.160 and 1959 c 257 s 15 are each amended to read as follows:

All sales of ~~((timber))~~ valuable materials upon state lands shall be made subject to the right, power, and authority of the commissioner of public lands to prescribe rules ~~((and regulations))~~ or procedures governing the manner of the sale and removal of the ~~((timber with a view to the protection of the nonmerchable timber against destruction or injury by fire or from other causes, and))~~ valuable materials. Such ~~((rules or regulations))~~ procedures shall be binding ~~((upon the))~~ when contained within a purchaser's ~~((of the timber))~~ contract for valuable materials and ~~((his))~~ apply to the purchaser's successors in interest and shall be enforced by the commissioner of public lands.

Sec. 6. RCW 79.01.184 and 1997 c 116 s 2 are each amended to read as follows:

When the department of natural resources shall have decided to sell any state lands or valuable materials thereon, or with the consent of the board of regents of the University of Washington, or by legislative directive, shall have decided to sell any lot, block, tract, or tracts of university lands, or the ~~((timber, fallen timber, stone, gravel, or other))~~ valuable materials thereon, it shall be the duty of the department to ~~((forthwith))~~ fix the date, place, and time of sale, and no sale shall be had on any day which is a legal holiday.

The department shall give notice of the sale by advertisement published not less than two times during a four week period prior to the time of sale in at least one newspaper of general circulation in the county in which the whole, or any part of any lot, block, or tract of land to be sold, or the material upon which is to be sold is situated, and by ~~((causing))~~ posting a copy of ~~((said))~~ the notice ~~((to be posted))~~ in a conspicuous place in the department's Olympia office ~~((and)),~~ the region headquarters administering such sale, and in the office of the county auditor of such county~~((, which))~~. The notice shall specify the place, date, and time of sale, the appraised value thereof, and describe with particularity each parcel of land to be sold, or from which valuable materials are to be sold~~((, and))~~. In the case of valuable materials sales, the estimated volume ~~((thereof;))~~ will be identified and

~~((specify that))~~ the terms of sale will be ~~((posted))~~ available in the region headquarters and the department's Olympia office.

~~((However;))~~ The advertisement is for informational purposes only, and under no circumstances does the information in the notice of sale constitute a warranty that the purchaser will receive the stated values, volumes, or acreage. All purchasers are expected to make their own measurements, evaluations, and appraisals.

A direct sale of valuable materials may be sold to the applicant for cash at full appraised value without notice or advertising. The board of natural resources shall, by resolution, establish the value amount of a direct sale not to exceed twenty thousand dollars in appraised sale value, and establish procedures to ~~((assure))~~ ensure that competitive market prices and accountability will be guaranteed.

Sec. 7. RCW 79.01.188 and 1982 1st ex.s. c 21 s 157 are each amended to read as follows:

The commissioner of public lands shall cause to be printed a list of all public lands, or valuable materials thereon, and the appraised value thereof, that are to be sold ~~((in the several counties of the state, said lists))~~. This list should be published in a pamphlet form to be issued at least four weeks prior to the date of any sale of the lands or valuable materials ~~((enumerated))~~ thereon~~((; such lands and materials to be listed under the name of the county wherein located, in alphabetical order giving the appraised values, the character of the same, and such other information as may be of interest to prospective buyers. Said commissioner of public lands shall cause to be distributed to the auditor of each county in the state a sufficient number of such lists to supply the demands made upon them respectively as reported by such auditors. And said county auditors shall keep the list so furnished in a conspicuous place or receptacle on the counter of the public office of their respective departments, and, when requested so to do, shall mail copies of such lists to residents of their counties))~~. The list should be organized by county and by alphabetical order, and provide sale information to prospective buyers. The commissioner of public lands shall retain for free distribution in his or her office and the ~~((district))~~ region offices sufficient copies of ~~((said lists))~~ the pamphlet, to be kept in a conspicuous place ~~((or receptacle on the counter of the general office of the commissioner of public lands, and the districts))~~, and, when requested so to do, shall mail copies of ~~((said lists))~~ the pamphlet as issued to any requesting applicant ~~((therefor))~~. ~~((Proof of publication of the notice of sale shall be made by affidavit of the publisher, or person in charge, of the newspaper publishing the same and proof of posting the notice of sale and the receipt of the lists shall be made by certificate of the county auditor which shall forthwith be sent to and filed with the commissioner of public lands.))~~ The commissioner of public lands may seek additional means of publishing the information in the pamphlet, such as on the internet, to increase the number of prospective buyers.

Sec. 8. RCW 79.01.204 and 1982 c 27 s 2 are each amended to read as follows:

Sales by public auction under this chapter shall be conducted under the direction of the department of natural resources(~~(, by)~~) or its authorized representative (~~(or by the county auditor of the county in which the sale is held)~~). The department or department's representative (~~(and the county auditor)~~) are hereinafter referred to as auctioneers. On or before the time specified in the notice of sale each bidder shall deposit with the auctioneer, in cash or by certified check, cashier's check, (~~(or postal)~~) money order payable to the order of the department of natural resources, or by bid guarantee in the form of bid bond acceptable to the department, an amount equal to the deposit specified in the notice of sale. The deposit shall include a specified amount of the appraised price for the land or valuable materials offered for sale, together with any fee required by law for the issuance of contracts, deeds, or bills of sale. Said deposit may, when prescribed in notice of sale, be considered an opening bid of an amount not less than the minimum appraised price established in the notice of sale. The successful bidder's deposit will be retained by the auctioneer and the difference, if any, between the deposit and the total amount due shall on the day of the sale be paid in cash, certified check, cashier's check, bank draft, (~~(postal)~~) or money order, (~~(or by personal check)~~) made payable to the department. If a bid bond is used, the share of the total deposit due guaranteed by the bid bond shall, within ten days of the day of sale, be paid in cash, certified check, cashier's check, (~~(or postal)~~) money order, or other acceptable payment method payable to the department. Other deposits, if any, shall be returned to the respective bidders at the conclusion of each sale. The auctioneer shall deliver to the purchaser a memorandum of his or her purchase containing a description of the land or materials purchased, the price bid, and the terms of the sale. The auctioneer shall at once send to the department the cash, certified check, cashier's check, bank draft, (~~(postal)~~) money order, (~~(or)~~) bid guarantee, or other acceptable payment method received from the purchaser, and a copy of the memorandum delivered to the purchaser, together with such additional report of his or her proceedings with reference to such sales as may be required by the department.

Sec. 9. RCW 79.01.232 and 1927 c 255 s 58 are each amended to read as follows:

When (~~(timber, fallen timber, stone, gravel, or other)~~) valuable materials(~~(; shall have been)~~) are sold separate from the land and the purchase price is paid in full, the commissioner of public lands shall cause a bill of sale, signed by the commissioner and attested by the seal of his or her office, setting forth the time within which such material shall be removed, to be issued to the purchaser and to be recorded in the office of the commissioner of public lands, upon the payment of the fee provided for in this chapter.

NEW SECTION. Sec. 10. A new section is added to chapter 79.01 RCW to read as follows:

For the purposes of this title, "appraisal" means an estimate of the market value of land or valuable materials. The estimate must reflect the value based on

market conditions at the time of the sale or transfer offering. The appraisal must reflect the department of natural resources' best effort to establish a reasonable market value for the purpose of setting a minimum bid at auction or transfer. A purchaser of state lands or valuable materials may not rely upon the appraisal prepared by the department of natural resources for purposes of deciding whether to make a purchase from the department. All purchasers are required to make their own independent appraisals.

Sec. 11. RCW 79.01.240 and 1982 1st ex.s. c 21 s 164 are each amended to read as follows:

Any sale, ~~transfer,~~ or lease of state lands (~~made by mistake, or not in accordance with law, or obtained~~) in which the purchaser, transfer recipient, or lessee obtains the sale or lease by fraud or misrepresentation((; shall be)) is void, and the contract of purchase((;)) or lease(~~(; issued thereon;)) shall be of no effect((; and the holder of such contract, or lease, shall be required to surrender the same to the department of natural resources, which, except in the case of fraud on the part of the purchaser, or lessee, shall cause the money paid on account of such surrendered contract, or lease, to be refunded to the holder thereof, provided the same has not been paid into the state treasury)). In the event of fraud, the contract, transferred property, or lease must be surrendered to the department of natural resources, but the purchaser, transfer recipient, or lessee may not be refunded any money paid on account of the surrendered contract, transfer, or lease. In the event that a mistake is discovered in the sale or lease of state lands, or in the sale of valuable materials on state lands, the department may take action to correct the mistake in accordance with RCW 79.01.740 if maintaining the corrected contract, transfer, or lease is in the best interests of the affected trust or trusts,~~

Sec. 12. RCW 79.01.340 and 1982 1st ex.s. c 21 s 171 are each amended to read as follows:

Any county or city or the United States of America or state agency desiring to locate, establish, and construct a road or street over and across any state lands of the state of Washington shall by resolution of the board of county commissioners of such county, or city council or other governing body of such city, or proper agency of the United States of America, or state agency, cause to be filed in the office of the department of natural resources a petition for a right of way for such road or street, setting forth the reasons for the establishment thereof, accompanied by a duly attested copy of a plat made by the county or city engineer or proper agency of the United States of America, or state agency, showing the location of the proposed road or street with reference to the legal subdivisions, or lots and blocks of the official plat, or the lands, over and across which such right of way is desired, the amount of land to be taken and the amount of land remaining in each portion of each legal subdivision or lot or block bisected by such proposed road or street.

Upon the filing of such petition and plat the department of natural resources, if deemed for the best interest of the state to grant the petition, shall cause the land

proposed to be taken to be inspected and shall appraise the value of ~~((any timber))~~ the land and valuable materials thereon and notify the petitioner of such appraised value.

If there ~~((be))~~ are no ~~((timber))~~ valuable materials on the proposed right of way, or upon the payment of the appraised value of ~~((any timber))~~ the land and valuable materials thereon, to the department of natural resources in cash, or by certified check drawn upon any bank in this state, or ~~((postal))~~ money order, except for all rights of way granted to the department of natural resources on which the ~~((timber))~~ valuable materials, if any, shall be sold at public auction or by sealed bid, the department may approve the plat filed with the petition and file and enter the same in the records of his or her office, and such approval and record shall constitute a grant of such right of way from the state.

Sec. 13. RCW 79.01.392 and 1961 c 73 s 8 are each amended to read as follows:

Upon the filing of the plat and field notes, as provided in RCW 79.01.388, the land applied for and the ~~((standing timber and/or reproduction))~~ valuable materials on the right of way applied for, and the marked danger trees to be felled off the right of way, if any, and the improvements included in the right of way applied for, if any, shall be appraised as in the case of an application to purchase state lands. Upon full payment of the appraised value of the land applied for, or upon payment of an annual rental when the department of natural resources deems a rental to be in the best interests of the state, and upon full payment of the appraised value of the ~~((standing timber, reproduction;))~~ valuable materials and improvements, if any, the commissioner of public lands shall issue to the applicant a certificate of the grant of such right of way stating the terms and conditions thereof and shall enter the same in the abstracts and records in his or her office, and thereafter any sale or lease of the lands affected by such right of way shall be subject to the easement of such right of way. Should the corporation, company, association, individual, state agency, political subdivision of the state, or the United States of America, securing such right of way ever abandon the use of the same for a period of sixty months or longer for the purposes for which it was granted, the right of way shall revert to the state, or the state's grantee.

Sec. 14. RCW 79.01.795 and 1987 c 126 s 2 are each amended to read as follows:

When the department finds ~~((timber))~~ valuable materials on state land that ~~((is))~~ are damaged by fire, wind, flood, or from any other cause, it shall determine if the ~~((sale))~~ salvage of the damaged ~~((timber))~~ valuable materials is in the best interest of the trust for which the land is held. If ~~((selling))~~ salvaging the ~~((timber))~~ valuable materials is in the best interest of the trust, the department shall proceed to offer the ~~((timber))~~ valuable materials for sale ~~((within a period not to exceed seven months from the date of first identifying the damaged timber))~~. The valuable materials, when offered for sale, must be sold in the most expeditious and efficient manner as determined by the department. In determining if the sale is in the best

interest of the trust the department shall consider the net value of the ~~((timber))~~ valuable materials and relevant elements of the physical and social environment. ~~((If selling the timber is not in the best interest of the trust, the department shall not offer it for sale until such time as in the department's determination it is in the trust's best interest.~~

~~— If elements of the physical or social environment extend the time required to prepare the timber for sale beyond seven months from the date of first identifying the damaged timber, the department shall prepare the timber for sale at the earliest time practicable.))~~

Sec. 15. RCW 79.64.030 and 1999 c 279 s 1 are each amended to read as follows:

Funds in the account ~~((derived))~~ from the ~~((gross proceeds of))~~ moneys received from leases, sales, contracts, licenses, permits, easements, and rights of way issued by the department and affecting school lands, university lands, scientific school lands, normal school lands, capitol building lands, or institutional lands shall be pooled and expended by the department solely for the purpose of defraying the costs and expenses necessarily incurred in managing and administering all of the trust lands enumerated in this section. Such funds may be used for similar costs and expenses in managing and administering other lands managed by the department provided that such expenditures that have been or may be made on such other lands shall be repaid to the resource management cost account together with interest at a rate determined by the board of natural resources.

Costs and expenses necessarily incurred in managing and administering agricultural college lands shall not be deducted from proceeds ~~((derived))~~ received from the sale of such lands or from the sale of resources that are part of the lands. Costs and expenses incurred in managing and administering agricultural college trust lands shall be funded by appropriation under RCW 79.64.090.

An accounting shall be made annually of the accrued expenditures from the pooled trust funds in the account. In the event the accounting determines that expenditures have been made from moneys ~~((derived))~~ received from trust lands for the benefit of other lands, such expenditure shall be considered a debt and an encumbrance against the property benefitted, including property held under chapter 76.12 RCW. The results of the accounting shall be reported to the legislature at the next regular session. The state treasurer is authorized, upon request of the department, to transfer funds between the forest development account and the resource management cost account solely for purpose of repaying loans pursuant to this section.

Sec. 16. RCW 79.64.040 and 1999 c 279 s 2 are each amended to read as follows:

The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the ~~((gross proceeds of))~~ moneys received from all leases, sales,

contracts, licenses, permits, easements, and rights of way issued by the department and affecting public lands, provided that no deduction shall be made from the proceeds from agricultural college lands. Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.01.132 and 79.01.204 prior to December 1, 1981, which have not been subjected to deduction under this section are not subject to deduction under this section. The deductions authorized under this section shall in no event exceed twenty-five percent of the ~~((total sum))~~ moneys received by the department in connection with any one transaction pertaining to public lands other than second class tide and shore lands and the beds of navigable waters, and fifty percent of the ~~((total gross proceeds))~~ moneys received by the department pertaining to second class tide and shore lands and the beds of navigable waters.

Sec. 17. RCW 79.64.050 and 1961 c 178 s 5 are each amended to read as follows:

All deductions from ~~((gross proceeds))~~ moneys received made in accordance with RCW 79.64.040 shall be paid into the account and the balance shall be paid into the state treasury to the credit of the fund otherwise entitled to the proceeds.

NEW SECTION. **Sec. 18.** A new section is added to chapter 79.01 RCW to read as follows:

(1) In the event that the department of natural resources determines that regulatory requirements or some other circumstance beyond the control of both the department and the purchaser has made a valuable materials contract wholly or partially impracticable to perform, the department may cancel any portion of the contract which could not be performed. In the event of such a cancellation, the purchaser shall not be liable for the purchase price of any portions of the contract so canceled. Market price fluctuations shall not constitute an impracticable situation for valuable materials contracts.

(2) Alternatively, and notwithstanding any other provision in this title, the department of natural resources may substitute valuable materials from another site in exchange for any valuable materials which the department determines have become impracticable to remove under the original contract. Any substituted valuable materials must belong to the identical trust involved in the original contract, and the substitute materials shall be determined by the department of natural resources to have an appraised value that is not greater than the valuable materials remaining under the original contract. The substitute valuable materials and site shall remain subject to all applicable permitting requirements and the state environmental policy act, chapter 43.21C RCW, for the activities proposed at that site. In any such substitution, the value of the materials substituted shall be fixed at the purchase price of the original contract regardless of subsequent market changes. Consent of the purchaser shall be required for any substitution under this section.

Passed the Senate April 17, 2001.

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Filed in Office of Secretary of State May 11, 2001.

CHAPTER 251

[Engrossed Substitute Senate Bill 5877]

MENTAL HEALTH COUNSELORS, MARRIAGE AND FAMILY THERAPISTS, SOCIAL WORKERS—LICENSING

AN ACT Relating to licensed mental health counselors, marriage and family therapists, and social workers; amending RCW 18.19.010, 18.19.020, 18.19.030, 18.19.040, 18.19.050, 18.19.060, 18.19.080, 18.19.180, 18.19.190, 18.120.020, 18.130.040, 18.100.050, 18.205.090, 25.05.510, 25.15.045, and 48.43.087; reenacting and amending RCW 9A.44.010; adding a new section to chapter 70.02 RCW; adding a new chapter to Title 18 RCW; and repealing RCW 18.19.070, 18.19.110, 18.19.120, 18.19.130, 18.19.140, 18.19.150, 18.19.160, and 18.19.170.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Advanced social work" means the application of social work theory and methods including emotional and biopsychosocial assessment, psychotherapy under the supervision of a licensed independent clinical social worker, case management, consultation, advocacy, counseling, and community organization.

(2) "Applicant" means a person who completes the required application, pays the required fee, is at least eighteen years of age, and meets any background check requirements and uniform disciplinary act requirements.

(3) "Committee" means the Washington state mental health counselors, marriage and family therapists, and social workers advisory committee.

(4) "Department" means the department of health.

(5) "Disciplining authority" means the department.

(6) "Independent clinical social work" means the diagnosis and treatment of emotional and mental disorders based on knowledge of human development, the causation and treatment of psychopathology, psychotherapeutic treatment practices, and social work practice as defined in advanced social work. Treatment modalities include but are not limited to diagnosis and treatment of individuals, couples, families, groups, or organizations.

(7) "Marriage and family therapy" means the diagnosis and treatment of mental and emotional disorders, whether cognitive, affective, or behavioral, within the context of relationships, including marriage and family systems. Marriage and family therapy involves the professional application of psychotherapeutic and family systems theories and techniques in the delivery of services to individuals, couples, and families for the purpose of treating such diagnosed nervous and mental disorders. The practice of marriage and family therapy means the rendering of professional marriage and family therapy services to individuals, couples, and families, singly or in groups, whether such services are offered directly to the

general public or through organizations, either public or private, for a fee, monetary or otherwise.

(8) "Mental health counseling" means the application of principles of human development, learning theory, psychotherapy, group dynamics, and etiology of mental illness and dysfunctional behavior to individuals, couples, families, groups, and organizations, for the purpose of treatment of mental disorders and promoting optimal mental health and functionality. Mental health counseling also includes, but is not limited to, the assessment, diagnosis, and treatment of mental and emotional disorders, as well as the application of a wellness model of mental health.

(9) "Secretary" means the secretary of health or the secretary's designee.

NEW SECTION. Sec. 2. A person must not represent himself or herself as a licensed advanced social worker, licensed independent clinical social worker, licensed mental health counselor, or licensed marriage and family therapist, without being licensed by the department.

NEW SECTION. Sec. 3. Nothing in this chapter shall be construed to prohibit or restrict:

(1) The practice of marriage and family therapy, mental health counseling, or social work by an individual otherwise regulated under this title and performing services within the authorized scope of practice;

(2) The practice of marriage and family therapy, mental health counseling, or social work by an individual employed by the government of the United States or state of Washington while engaged in the performance of duties prescribed by the laws of the United States or state of Washington;

(3) The practice of marriage and family therapy, mental health counseling, or social work by a person who is a regular student in an educational program based on recognized national standards and approved by the secretary, and whose performance of services is pursuant to a regular course of instruction or assignments from an instructor and under the general supervision of the instructor;

(4) The practice of marriage and family therapy, mental health counseling, or social work under the auspices of a religious denomination, church, or religious organization.

NEW SECTION. Sec. 4. In addition to any other authority provided by law, the secretary has the authority to:

(1) Adopt rules under chapter 34.05 RCW necessary to implement this chapter. Any rules adopted shall be in consultation with the committee;

(2) Establish all licensing, examination, and renewal fees in accordance with RCW 43.70.250;

(3) Establish forms and procedures necessary to administer this chapter;

(4) Issue licenses to applicants who have met the education, training, and examination requirements for licensure and to deny a license to applicants who do not meet the requirements;

(5) Hire clerical, administrative, investigative, and other staff as needed to implement this chapter, and hire individuals licensed under this chapter to serve as examiners for any practical examinations;

(6) Administer and supervise the grading and taking of examinations for applicants for licensure;

(7) Determine which states have credentialing requirements substantially equivalent to those of this state, and issue licenses to individuals credentialed in those states without examinations;

(8) Implement and administer a program for consumer education in consultation with the committee;

(9) Adopt rules implementing a continuing education program in consultation with the committee;

(10) Maintain the official record of all applicants and licensees; and

(11) Establish by rule the procedures for an appeal of an examination failure.

NEW SECTION. Sec. 5. The secretary shall keep an official record of all proceedings. A part of the record shall consist of a register of all applicants for licensing under this chapter and the results of each application.

NEW SECTION. Sec. 6. The Washington state mental health counselors, marriage and family therapists, and social workers advisory committee is established.

(1) The committee shall be comprised of nine members. Two members shall be licensed mental health counselors. Two members shall be licensed marriage and family therapists. One member shall be a licensed independent clinical social worker, and one member shall be a licensed advanced social worker. Three members must be consumers and represent the public at large and may not be licensed mental health care providers.

(2) Three members shall be appointed for a term of one year, three members shall be appointed for a term of two years, and three members shall be appointed for a term of three years. Subsequent members shall be appointed for terms of three years. A person must not serve as a member for more than two consecutive terms.

(3)(a) Each member must be a resident of the state of Washington.

(b) Each member must not hold an office in a professional association for mental health, social work, or marriage and family therapy and must not be employed by the state of Washington.

(c) Each professional member must have been actively engaged as a mental health counselor, marriage and family therapist, or social worker for five years immediately preceding appointment.

(d) The consumer members must represent the general public and be unaffiliated directly or indirectly with the professions licensed under this chapter.

(4) The secretary shall appoint the committee members.

(5) Committee members are immune from suit in an action, civil or criminal, based on the department's disciplinary proceedings or other official acts performed in good faith.

(6) Committee members shall be compensated in accordance with RCW 43.03.240, including travel expenses in carrying out his or her authorized duties in accordance with RCW 43.03.050 and 43.03.060.

(7) The committee shall elect a chair and vice-chair.

NEW SECTION. Sec. 7. The department of health may seek the advice and assistance of the advisory committee in administering this chapter, including, but not limited to:

(1) Advice and recommendations regarding the establishment or implementation of rules related to the administration of this chapter;

(2) Advice, recommendations, and consultation regarding case disposition guidelines and priorities related to unprofessional conduct cases regarding licensed mental health counselors, licensed clinical social workers, licensed advanced social workers, and licensed marriage and family therapists;

(3) Assistance and consultation of individual committee members as needed in the review, analysis, and disposition of reports of unprofessional conduct and consumer complaints;

(4) Assistance and recommendations to enhance consumer education; and

(5) Assistance and recommendations regarding any continuing education and continuing competency programs administered under the provisions of the chapter.

NEW SECTION. Sec. 8. The uniform disciplinary act, chapter 18.130 RCW, governs unlicensed practice, the issuance and denial of licensure, and the discipline of persons licensed under this chapter. The secretary shall be the disciplinary authority under this chapter.

NEW SECTION. Sec. 9. (1) The secretary shall issue a license to any applicant who demonstrates to the satisfaction of the secretary that the applicant meets the following education and experience requirements for the applicant's practice area.

(a) Licensed social work classifications:

(i) Licensed advanced social worker:

(A) Graduation from a master's or doctorate social work educational program accredited by the council on social work education and approved by the secretary based upon nationally recognized standards;

(B) Successful completion of an approved examination;

(C) Successful completion of a supervised experience requirement. The experience requirement consists of a minimum of three thousand two hundred hours with ninety hours of supervision by a licensed independent clinical social worker or a licensed advanced social worker who has been licensed or certified for at least two years. Of those hours, fifty hours must include direct supervision by a licensed advanced social worker or licensed independent clinical social worker;

the other forty hours may be with an equally qualified licensed mental health practitioner. Forty hours must be in one-to-one supervision and fifty hours may be in one-to-one supervision or group supervision. Distance supervision is limited to forty supervision hours. Eight hundred hours must be in direct client contact; and

(D) Successful completion of continuing education requirements of thirty-six hours, with six in professional ethics.

(ii) Licensed independent clinical social worker:

(A) Graduation from a master's or doctorate level social work educational program accredited by the council on social work education and approved by the secretary based upon nationally recognized standards;

(B) Successful completion of an approved examination;

(C) Successful completion of a supervised experience requirement. The experience requirement consists of a minimum of four thousand hours of experience, of which one thousand hours must be direct client contact, over a three-year period supervised by a licensed independent clinical social worker, with supervision of at least one hundred thirty hours by a licensed mental health practitioner. Of the total supervision, seventy hours must be with an independent clinical social worker; the other sixty hours may be with an equally qualified licensed mental health practitioner. Sixty hours must be in one-to-one supervision and seventy hours may be in one-to-one supervision or group supervision. Distance supervision is limited to sixty supervision hours; and

(D) Successful completion of continuing education requirements of thirty-six hours, with six in professional ethics.

(b) Licensed mental health counselor:

(i) Graduation from a master's or doctoral level educational program in mental health counseling or a related discipline from a college or university approved by the secretary based upon nationally recognized standards;

(ii) Successful completion of an approved examination;

(iii) Successful completion of a supervised experience requirement. The experience requirement consists of a minimum of thirty-six months full-time counseling or three thousand hours of postgraduate mental health counseling under the supervision of a qualified licensed mental health counselor in an approved setting. The three thousand hours of required experience includes a minimum of one hundred hours spent in immediate supervision with the qualified licensed mental health counselor, and includes a minimum of one thousand two hundred hours of direct counseling with individuals, couples, families, or groups; and

(iv) Successful completion of continuing education requirements of thirty-six hours, with six in professional ethics.

(c) Licensed marriage and family therapist:

(i) Graduation from a master's degree or doctoral degree educational program in marriage and family therapy or graduation from an educational program in an allied field equivalent to a master's degree or doctoral degree in marriage and

family therapy approved by the secretary based upon nationally recognized standards;

(ii) Successful passage of an approved examination;

(iii) Successful completion of a supervised experience requirement. The experience requirement consists of a minimum of two calendar years of full-time marriage and family therapy. Of the total supervision, one hundred hours must be with a licensed marriage and family therapist with at least five years' clinical experience; the other one hundred hours may be with an equally qualified licensed mental health practitioner. Total experience requirements include:

(A) A minimum of three thousand hours of experience, one thousand hours of which must be direct client contact; at least five hundred hours must be gained in diagnosing and treating couples and families; plus

(B) At least two hundred hours of qualified supervision with a supervisor. At least one hundred of the two hundred hours must be one-on-one supervision, and the remaining hours may be in one-on-one or group supervision.

Applicants who have completed a master's program accredited by the commission on accreditation for marriage and family therapy education of the American association for marriage and family therapy may be credited with five hundred hours of direct client contact and one hundred hours of formal meetings with an approved supervisor; and

(iv) Successful completion of continuing education requirements of thirty-six hours, with six in professional ethics.

(2) The department shall establish by rule what constitutes adequate proof of meeting the criteria.

(3) In addition, applicants shall be subject to the grounds for denial of a license or issuance of a conditional license under chapter 18.130 RCW.

NEW SECTION. Sec. 10. A person licensed under this chapter must provide clients at the commencement of any program of treatment with accurate disclosure information concerning the practice, in accordance with rules adopted by the department, including the right of clients to refuse treatment, the responsibility of clients to choose the provider and treatment modality which best suits their needs, and the extent of confidentiality provided by this chapter. The disclosure information must also include the license holder's professional education and training, the therapeutic orientation of the practice, the proposed course of treatment where known, financial requirements, and such other information as required by rule. The disclosure must be acknowledged in writing by the client and license holder.

NEW SECTION. Sec. 11. (1) The date and location of examinations shall be established by the secretary. Applicants who have been found by the secretary to meet the other requirements for licensure shall be scheduled for the next examination following the filing of the application. The secretary shall establish by rule the examination application deadline.

(2) The secretary or the secretary's designees shall examine each applicant, by means determined most effective, on subjects appropriate to the scope of practice, as applicable. Such examinations shall be limited to the purpose of determining whether the applicant possesses the minimum skill and knowledge necessary to practice competently.

(3) The examination papers, all grading of the papers, and the grading of any practical work shall be preserved for a period of not less than one year after the secretary has made and published the decisions. All examinations shall be conducted under fair and wholly impartial methods.

(4) The secretary may approve an examination prepared or administered by a private testing agency or association of licensing agencies for use by an applicant in meeting the licensing requirements.

NEW SECTION. Sec. 12. Applications for licensing shall be submitted on forms provided by the secretary. The secretary may require any information and documentation which reasonably relates to the need to determine whether the applicant meets the criteria for licensing provided for in this chapter and chapter 18.130 RCW. Each applicant shall pay a fee determined by the secretary under RCW 43.70.250. The fee shall accompany the application.

NEW SECTION. Sec. 13. Any person certified under chapter 18.19 RCW who has met the applicable experience and education requirements under chapter 18.19 RCW prior to the effective date of this act is eligible for a license as an advanced social worker, an independent clinical social worker, a marriage and family therapist, or a mental health counselor under this chapter without taking the examination.

NEW SECTION. Sec. 14. An applicant holding a credential in another state may be licensed to practice in this state without examination if the secretary determines that the other state's credentialing standards are substantially equivalent to the licensing standards in this state.

NEW SECTION. Sec. 15. The secretary shall establish by rule the procedural requirements and fees for renewal of a license. Failure to renew shall invalidate the license and all privileges granted by the license. If a license has lapsed for a period longer than three years, the person shall demonstrate competence to the satisfaction of the secretary by taking continuing education courses, or meeting other standards determined by the secretary.

NEW SECTION. Sec. 16. This chapter shall not be construed as permitting the administration or prescription of drugs or in any way infringing upon the practice of medicine and surgery as defined in chapter 18.71 or 18.57 RCW, or in any way infringing upon the practice of psychology as defined in chapter 18.83 RCW, or restricting the scope of the practice of counseling for those registered under chapter 18.19 RCW, or restricting the scope of practice of persons licensed under this chapter.

Sec. 17. RCW 18.19.010 and 1987 c 512 s 1 are each amended to read as follows:

The qualifications and practices of counselors in this state are virtually unknown to potential clients. Beyond the regulated practices of psychiatry and psychology, there are a considerable variety of disciplines, theories, and techniques employed by other counselors under a number of differing titles. The legislature recognizes the right of all counselors to practice their skills freely, consistent with the requirements of the public health and safety, as well as the right of individuals to choose which counselors best suit their needs and purposes. This chapter shall not be construed to require or prohibit that individual or group policies or contracts of an insurance carrier, health care service contractor, or health maintenance organization provide benefits or coverage for services and supplies provided by a person registered ((or certified)) under this chapter.

Sec. 18. RCW 18.19.020 and 1991 c 3 s 19 are each amended to read as follows:

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

~~(1) ("Certified marriage and family therapist" means a person certified to practice marriage and family therapy pursuant to RCW 18.19.130.~~

~~—(2) "Certified mental health counselor" means a person certified to practice mental health counseling pursuant to RCW 18.19.120.~~

~~—(3) "Certified social worker" means a person certified to practice social work pursuant to RCW 18.19.110.~~

~~—(4)) "Client" means an individual who receives or participates in counseling or group counseling.~~

~~((5))~~ ~~(2)~~ "Counseling" means employing any therapeutic techniques, including but not limited to social work, mental health counseling, marriage and family therapy, and hypnotherapy, for a fee that offer, assist or attempt to assist an individual or individuals in the amelioration or adjustment of mental, emotional, or behavioral problems, and includes therapeutic techniques to achieve sensitivity and awareness of self and others and the development of human potential. For the purposes of this chapter, nothing may be construed to imply that the practice of hypnotherapy is necessarily limited to counseling.

~~((6))~~ ~~(3)~~ "Counselor" means an individual, practitioner, therapist, or analyst who engages in the practice of counseling to the public for a fee, including for the purposes of this chapter, hypnotherapists.

~~((7))~~ ~~(4)~~ "Department" means the department of health.

~~((8))~~ ~~(5)~~ "Secretary" means the secretary of the department or the secretary's designee.

Sec. 19. RCW 18.19.030 and 1991 c 3 s 20 are each amended to read as follows:

No person may, for a fee or as a part of his or her position as an employee of a state agency, practice counseling without being registered to practice by the

department under this chapter unless exempt under RCW 18.19.040. ~~((No person may represent himself or herself as a certified social worker, certified mental health counselor, or certified marriage and family therapist without being so certified by the department under this chapter.))~~

Sec. 20. RCW 18.19.040 and 1987 c 512 s 4 are each amended to read as follows:

Nothing in this chapter may be construed to prohibit or restrict:

(1) The practice of a profession by a person who is either registered, certified, licensed, or similarly regulated under the laws of this state and who is performing services within the person's authorized scope of practice, including any attorney admitted to practice law in this state when providing counseling incidental to and in the course of providing legal counsel;

(2) The practice of counseling by an employee or trainee of any federal agency, or the practice of counseling by a student of a college or university, if the employee, trainee, or student is practicing solely under the supervision of and accountable to the agency, college, or university, through which he or she performs such functions as part of his or her position for no additional fee other than ordinary compensation;

(3) The practice of counseling by a person without a mandatory charge;

(4) The practice of counseling by persons offering services for public and private nonprofit organizations or charities not primarily engaged in counseling for a fee when approved by the organizations or agencies for whom they render their services;

(5) Evaluation, consultation, planning, policy-making, research, or related services conducted by social scientists for private corporations or public agencies;

(6) The practice of counseling by a person under the auspices of a religious denomination, church, or organization, or the practice of religion itself;

(7) Counselors whose residency is not Washington state from providing up to ten days per quarter of training or workshops in the state, as long as they don't hold themselves out to be registered ~~((or certified))~~ in Washington state.

Sec. 21. RCW 18.19.050 and 1991 c 3 s 21 are each amended to read as follows:

(1) In addition to any other authority provided by law, the secretary has the following authority:

(a) To adopt rules, in accordance with chapter 34.05 RCW, necessary to implement this chapter;

(b) To set all ~~((certification;))~~ registration~~((;))~~ and renewal fees in accordance with RCW 43.70.250 and to collect and deposit all such fees in the health professions account established under RCW 43.70.320;

(c) To establish forms and procedures necessary to administer this chapter;

(d) To hire clerical, administrative, and investigative staff as needed to implement this chapter;

(e) To issue a registration to any applicant who has met the requirements for registration; and

~~(f) ((To set educational, ethical, and professional standards of practice for certification;~~

~~(g) To prepare and administer or cause to be prepared and administered an examination for all qualified applicants for certification;~~

~~(h) To establish criteria for evaluating the ability and qualifications of persons applying for a certificate, including standards for passing the examination and standards of qualification for certification to practice;~~

~~(i) To evaluate and designate those schools from which graduation will be accepted as proof of an applicant's eligibility to receive a certificate and to establish standards and procedures for accepting alternative training in lieu of such graduation;~~

~~(j) To issue a certificate to any applicant who has met the education, training, and conduct requirements for certification;~~

~~(k) To set competence requirements for maintaining certification; and~~

~~(h)) To develop a dictionary of recognized professions and occupations providing counseling services to the public included under this chapter.~~

(2) The uniform disciplinary act, chapter 18.130 RCW, governs the issuance and denial of ~~((certifications and))~~ registrations and the discipline of ~~((certified practitioners and))~~ registrants under this chapter. The secretary shall be the disciplining authority under this chapter. The absence of educational or training requirements for counselors registered under this chapter or the counselor's use of nontraditional nonabusive therapeutic techniques shall not, in and of itself, give the secretary authority to unilaterally determine the training and competence or to define or restrict the scope of practice of such individuals.

(3) The department shall publish and disseminate information in order to educate the public about the responsibilities of counselors and the rights and responsibilities of clients established under this chapter. Solely for the purposes of administering this education requirement, the secretary shall assess an additional fee for each ~~((registration and certification))~~ application and renewal, equal to five percent of the fee. The revenue collected from the assessment fee may be appropriated by the legislature for the department's use in educating consumers pursuant to this section. The authority to charge the assessment fee shall terminate on June 30, 1994.

Sec. 22. RCW 18.19.060 and 1987 c 512 s 6 are each amended to read as follows:

Persons registered ~~((or certified))~~ under this chapter shall provide clients at the commencement of any program of treatment with accurate disclosure information concerning their practice, in accordance with guidelines developed by the department, that will inform clients of the purposes of and resources available under this chapter, including the right of clients to refuse treatment, the responsibility of clients for choosing the provider and treatment modality which

best suits their needs, and the extent of confidentiality provided by this chapter. The disclosure information provided by the counselor, the receipt of which shall be acknowledged in writing by the counselor and client, shall include any relevant education and training, the therapeutic orientation of the practice, the proposed course of treatment where known, any financial requirements, and such other information as the department may require by rule. The disclosure information shall also include a statement that registration of an individual under this chapter does not include a recognition of any practice standards, nor necessarily imply the effectiveness of any treatment.

Sec. 23. RCW 18.19.080 and 1991 c 3 s 23 are each amended to read as follows:

The secretary shall keep an official record of all proceedings, a part of which record shall consist of a register of all applicants for registration (~~(or certification)~~) under this chapter, with the result of each application.

Sec. 24. RCW 18.19.180 and 1991 c 3 s 33 are each amended to read as follows:

An individual registered (~~(or certified)~~) under this chapter shall not disclose the written acknowledgment of the disclosure statement pursuant to RCW 18.19.060 nor any information acquired from persons consulting the individual in a professional capacity when that information was necessary to enable the individual to render professional services to those persons except:

(1) With the written consent of that person or, in the case of death or disability, the person's personal representative, other person authorized to sue, or the beneficiary of an insurance policy on the person's life, health, or physical condition;

(2) That a person registered (~~(or certified)~~) under this chapter is not required to treat as confidential a communication that reveals the contemplation or commission of a crime or harmful act;

(3) If the person is a minor, and the information acquired by the person registered (~~(or certified)~~) under this chapter indicates that the minor was the victim or subject of a crime, the person registered (~~(or certified)~~) may testify fully upon any examination, trial, or other proceeding in which the commission of the crime is the subject of the inquiry;

(4) If the person waives the privilege by bringing charges against the person registered (~~(or certified)~~) under this chapter;

(5) In response to a subpoena from a court of law or the secretary. The secretary may subpoena only records related to a complaint or report under chapter 18.130 RCW; or

(6) As required under chapter 26.44 RCW.

Sec. 25. RCW 18.19.190 and 1987 c 512 s 18 are each amended to read as follows:

This chapter shall not be construed as permitting the administration or prescription of drugs or in any way infringing upon the practice of medicine and surgery as defined in chapter 18.71 RCW, or in any way infringing upon the practice of psychology as defined in chapter 18.83 RCW, or restricting the scope of the practice of counseling for those registered (~~or certified~~) under this chapter.

Sec. 26. RCW 18.120.020 and 2000 c 93 s 15 are each amended to read as follows:

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

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be regulated or which proposes to substantially increase the scope of practice of the profession.

(2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter 18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ophthalmologists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW; medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; health care assistants under chapter 18.135 RCW; massage practitioners under chapter 18.108 RCW; acupuncturists licensed under chapter 18.06 RCW; persons registered (~~or certified~~) under chapter 18.19 RCW; persons licensed as mental health counselors, marriage and family

therapists, and social workers under chapter 18.— RCW (sections 1 through 16 of this act); dietitians and nutritionists certified by chapter 18.138 RCW; radiologic technicians under chapter 18.84 RCW; and nursing assistants registered or certified under chapter 18.88A RCW.

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include: (a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(9) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

Sec. 27. RCW 18.130.040 and 1999 c 335 s 10 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the 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 secretary has authority under this chapter in relation to the following professions:

- (i) Dispensing opticians licensed under chapter 18.34 RCW;
- (ii) Naturopaths licensed under chapter 18.36A RCW;
- (iii) Midwives licensed under chapter 18.50 RCW;
- (iv) Ocularists licensed under chapter 18.55 RCW;
- (v) Massage operators and businesses licensed under chapter 18.108 RCW;
- (vi) Dental hygienists licensed under chapter 18.29 RCW;
- (vii) Acupuncturists licensed under chapter 18.06 RCW;
- (viii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(ix) Respiratory care practitioners licensed under chapter 18.89 RCW;

(x) Persons registered (~~(or certified)~~) under chapter 18.19 RCW;

(xi) Persons licensed as mental health counselors, marriage and family therapists, and social workers under chapter 18.— RCW (sections 1 through 16 of this act):

~~(xii)~~ (xii) Persons registered as nursing pool operators under chapter 18.52C RCW;

~~((xiii))~~ (xiii) Nursing assistants registered or certified under chapter 18.88A RCW;

~~((xiii))~~ (xiv) Health care assistants certified under chapter 18.135 RCW;

~~((xiv))~~ (xv) Dietitians and nutritionists certified under chapter 18.138 RCW;

~~((xv))~~ (xvi) Chemical dependency professionals certified under chapter 18.205 RCW;

~~((xvi))~~ (xvii) Sex offender treatment providers certified under chapter 18.155 RCW;

~~((xvii))~~ (xviii) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

~~((xviii))~~ (xix) Persons registered as adult family home providers and resident managers under RCW 18.48.020;

~~((xix))~~ (xx) Denturists licensed under chapter 18.30 RCW;

~~((xx))~~ (xxi) Orthotists and prosthetists licensed under chapter 18.200 RCW;

and

~~((xxi))~~ (xxii) Surgical technologists registered under chapter 18.215 RCW.

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The board of pharmacy as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW; and

(xiv) The veterinary board of governors as established in chapter 18.92 RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to 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 pursuant to RCW 18.130.160 by the disciplining authority.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the Uniform Disciplinary Act, among the disciplining authorities listed in subsection (2) of this section.

Sec. 28. RCW 9A.44.010 and 1997 c 392 s 513 and 1997 c 112 s 37 are each reenacted and amended to read as follows:

As used in this chapter:

(1) "Sexual intercourse" (a) has its ordinary meaning and occurs upon any penetration, however slight, and

(b) Also means any penetration of the vagina or anus however slight, by an object, when committed on one person by another, whether such persons are of the same or opposite sex, except when such penetration is accomplished for medically recognized treatment or diagnostic purposes, and

(c) Also means any act of sexual contact between persons involving the sex organs of one person and the mouth or anus of another whether such persons are of the same or opposite sex.

(2) "Sexual contact" means any touching of the sexual or other intimate parts of a person done for the purpose of gratifying sexual desire of either party or a third party.

(3) "Married" means one who is legally married to another, but does not include a person who is living separate and apart from his or her spouse and who has filed in an appropriate court for legal separation or for dissolution of his or her marriage.

(4) "Mental incapacity" is that condition existing at the time of the offense which prevents a person from understanding the nature or consequences of the act of sexual intercourse whether that condition is produced by illness, defect, the influence of a substance or from some other cause.

(5) "Physically helpless" means a person who is unconscious or for any other reason is physically unable to communicate unwillingness to an act.

(6) "Forcible compulsion" means physical force which overcomes resistance, or a threat, express or implied, that places a person in fear of death or physical injury to herself or himself or another person, or in fear that she or he or another person will be kidnapped.

(7) "Consent" means that at the time of the act of sexual intercourse or sexual contact there are actual words or conduct indicating freely given agreement to have sexual intercourse or sexual contact.

(8) "Significant relationship" means a situation in which the perpetrator is:

(a) A person who undertakes the responsibility, professionally or voluntarily, to provide education, health, welfare, or organized recreational activities principally for minors;

(b) A person who in the course of his or her employment supervises minors;
or

(c) A person who provides welfare, health or residential assistance, personal care, or organized recreational activities to frail elders or vulnerable adults, including a provider, employee, temporary employee, volunteer, or independent contractor who supplies services to long-term care facilities licensed or required to be licensed under chapter 18.20, 18.51, 72.36, or 70.128 RCW, and home health, hospice, or home care agencies licensed or required to be licensed under chapter 70.127 RCW, but not including a consensual sexual partner.

(9) "Abuse of a supervisory position" means a direct or indirect threat or promise to use authority to the detriment or benefit of a minor.

(10) "Developmentally disabled," for purposes of RCW 9A.44.050(1)(c) and 9A.44.100(1)(c), means a person with a developmental disability as defined in RCW 71A.10.020.

(11) "Person with supervisory authority," for purposes of RCW 9A.44.050(1)(c) or (e) and 9A.44.100(1)(c) or (e), means any proprietor or employee of any public or private care or treatment facility who directly supervises developmentally disabled, mentally disordered, or chemically dependent persons at the facility.

(12) "Mentally disordered person" for the purposes of RCW 9A.44.050(1)(e) and 9A.44.100(1)(e) means a person with a "mental disorder" as defined in RCW 71.05.020.

(13) "Chemically dependent person" for purposes of RCW 9A.44.050(1)(e) and 9A.44.100(1)(e) means a person who is "chemically dependent" as defined in RCW 70.96A.020(4).

(14) "Health care provider" for purposes of RCW 9A.44.050 and 9A.44.100 means a person who is, holds himself or herself out to be, or provides services as if he or she were: (a) A member of a health care profession under chapter 18.130 RCW; or (b) registered ((or certified)) under chapter 18.19 RCW or licensed under chapter 18.— RCW (sections 1 through 16 of this act), regardless of whether the health care provider is licensed, certified, or registered by the state.

(15) "Treatment" for purposes of RCW 9A.44.050 and 9A.44.100 means the active delivery of professional services by a health care provider which the health care provider holds himself or herself out to be qualified to provide.

(16) "Frail elder or vulnerable adult" means a person sixty years of age or older who has the functional, mental, or physical inability to care for himself or herself. "Frail elder or vulnerable adult" also includes a person found incapacitated under chapter 11.88 RCW, a person over eighteen years of age who has a developmental disability under chapter 71A.10 RCW, a person admitted to a long-term care facility that is licensed or required to be licensed under chapter 18.20, 18.51, 72.36, or 70.128 RCW, and a person receiving services from a home health, hospice, or home care agency licensed or required to be licensed under chapter 70.127 RCW.

Sec. 29. RCW 18.100.050 and 1999 c 128 s 1 are each amended to read as follows:

(1) An individual or group of individuals duly licensed or otherwise legally authorized to render the same professional services within this state may organize and become a shareholder or shareholders of a professional corporation for pecuniary profit under the provisions of Title 23B RCW for the purpose of rendering professional service. One or more of the legally authorized individuals shall be the incorporators of the professional corporation.

(2) Notwithstanding any other provision of this chapter, registered architects and registered engineers may own stock in and render their individual professional services through one professional service corporation.

(3) Licensed health care professionals, providing services to enrolled participants either directly or through arrangements with a health maintenance organization registered under chapter 48.46 RCW or federally qualified health maintenance organization, may own stock in and render their individual professional services through one professional service corporation.

(4) Professionals may organize a nonprofit nonstock corporation under this chapter and chapter 24.03 RCW to provide professional services, and the

provisions of this chapter relating to stock and referring to Title 23B RCW shall not apply to any such corporation.

(5)(a) Notwithstanding any other provision of this chapter, health care professionals who are licensed or certified pursuant to chapters 18.06, ~~((+8:+9;)) 18.— (sections 1 through 16 of this act),~~ 18.22, 18.25, 18.29, 18.34, 18.35, 18.36A, 18.50, 18.53, 18.55, 18.57, 18.57A, 18.64, 18.71, 18.71A, 18.79, 18.83, 18.89, 18.108, and 18.138 RCW may own stock in and render their individual professional services through one professional service corporation and are to be considered, for the purpose of forming a professional service corporation, as rendering the "same specific professional services" or "same professional services" or similar terms.

(b) Notwithstanding any other provision of this chapter, health care professionals who are regulated under chapters 18.59 and 18.74 RCW may own stock in and render their individual professional services through one professional service corporation formed for the sole purpose of providing professional services within their respective scope of practice.

(c) Formation of a professional service corporation under this subsection does not restrict the application of the uniform disciplinary act under chapter 18.130 RCW, or applicable health care professional statutes under Title 18 RCW, including but not limited to restrictions on persons practicing a health profession without being appropriately credentialed and persons practicing beyond the scope of their credential.

Sec. 30. RCW 18.205.090 and 1998 c 243 s 9 are each amended to read as follows:

(1) The secretary shall issue a certificate to any applicant who demonstrates to the secretary's satisfaction that the following requirements have been met:

(a) Completion of an educational program approved by the secretary or successful completion of alternate training that meets established criteria;

(b) Successful completion of an approved examination, based on core competencies of chemical dependency counseling; and

(c) Successful completion of an experience requirement that establishes fewer hours of experience for applicants with higher levels of relevant education. In meeting any experience requirement established under this subsection, the secretary may not require more than one thousand five hundred hours of experience in chemical dependency counseling for applicants who are licensed under chapter 18.83 RCW or under chapter 18.79 RCW as advanced registered nurse practitioners.

(2) The secretary shall establish by rule what constitutes adequate proof of meeting the criteria.

(3) Applicants are subject to the grounds for denial of a certificate or issuance of a conditional certificate under chapter 18.130 RCW.

(4) Certified chemical dependency professionals shall not be required to be registered under chapter 18.19 RCW or licensed under chapter 18.— RCW (sections 1 through 16 of this act).

Sec. 31. RCW 25.05.510 and 1998 c 103 s 1103 are each amended to read as follows:

(1) A person or group of persons licensed or otherwise legally authorized to render professional services, as defined in RCW 18.100.030, within this state may organize and become a member or members of a limited liability partnership under the provisions of this chapter for the purposes of rendering professional service. Nothing in this section prohibits a person duly licensed or otherwise legally authorized to render professional services in any jurisdiction other than this state from becoming a member of a limited liability partnership organized for the purpose of rendering the same professional services. Nothing in this section prohibits a limited liability partnership from rendering professional services outside this state through individuals who are not duly licensed or otherwise legally authorized to render such professional services within this state.

(2)(a) Notwithstanding any other provision of this chapter, health care professionals who are licensed or certified pursuant to chapters 18.06, ~~((18.19;))~~ 18.— (sections 1 through 16 of this act), 18.22, 18.25, 18.29, 18.34, 18.35, 18.36A, 18.50, 18.53, 18.55, 18.64, 18.79, 18.83, 18.89, 18.108, and 18.138 RCW may join and render their individual professional services through one limited liability partnership and are to be considered, for the purpose of forming a limited liability partnership, as rendering the "same specific professional services" or "same professional services" or similar terms.

(b) Notwithstanding any other provision of this chapter, health care professionals who are licensed pursuant to chapters 18.57 and 18.71 RCW may join and render their individual professional services through one limited liability partnership and are to be considered, for the purpose of forming a limited liability partnership, as rendering the "same specific professional services" or "same professional services" or similar terms.

(c) Formation of a limited liability partnership under this subsection does not restrict the application of the uniform disciplinary act under chapter 18.130 RCW, or any applicable health care professional statutes under Title 18 RCW, including but not limited to restrictions on persons practicing a health profession without being appropriately credentialed and persons practicing beyond the scope of their credential.

Sec. 32. RCW 25.15.045 and 1999 c 128 s 2 are each amended to read as follows:

(1) A person or group of persons licensed or otherwise legally authorized to render professional services within this or any other state may organize and become a member or members of a professional limited liability company under the provisions of this chapter for the purposes of rendering professional service. A "professional limited liability company" is subject to all the provisions of chapter

18.100 RCW that apply to a professional corporation, and its managers, members, agents, and employees shall be subject to all the provisions of chapter 18.100 RCW that apply to the directors, officers, shareholders, agents, or employees of a professional corporation, except as provided otherwise in this section. Nothing in this section prohibits a person duly licensed or otherwise legally authorized to render professional services in any jurisdiction other than this state from becoming a member of a professional limited liability company organized for the purpose of rendering the same professional services. Nothing in this section prohibits a professional limited liability company from rendering professional services outside this state through individuals who are not duly licensed or otherwise legally authorized to render such professional services within this state. Persons engaged in a profession and otherwise meeting the requirements of this chapter may operate under this chapter as a professional limited liability company so long as each member personally engaged in the practice of the profession in this state is duly licensed or otherwise legally authorized to practice the profession in this state and:

(a) At least one manager of the company is duly licensed or otherwise legally authorized to practice the profession in this state; or

(b) Each member in charge of an office of the company in this state is duly licensed or otherwise legally authorized to practice the profession in this state.

(2) If the company's members are required to be licensed to practice such profession, and the company fails to maintain for itself and for its members practicing in this state a policy of professional liability insurance, bond, or other evidence of financial responsibility of a kind designated by rule by the state insurance commissioner and in the amount of at least one million dollars or a greater amount as the state insurance commissioner may establish by rule for a licensed profession or for any specialty within a profession, taking into account the nature and size of the business, then the company's members are personally liable to the extent that, had the insurance, bond, or other evidence of responsibility been maintained, it would have covered the liability in question.

(3) For purposes of applying the provisions of chapter 18.100 RCW to a professional limited liability company, the terms "director" or "officer" means manager, "shareholder" means member, "corporation" means professional limited liability company, "articles of incorporation" means certificate of formation, "shares" or "capital stock" means a limited liability company interest, "incorporator" means the person who executes the certificate of formation, and "bylaws" means the limited liability company agreement.

(4) The name of a professional limited liability company must contain either the words "Professional Limited Liability Company," or the words "Professional Limited Liability" and the abbreviation "Co.," or the abbreviation "P.L.L.C." or "PLLC" provided that the name of a professional limited liability company organized to render dental services shall contain the full names or surnames of all members and no other word than "chartered" or the words "professional services" or the abbreviation "P.L.L.C." or "PLLC."

(5) Subject to the provisions in article VII of this chapter, the following may be a member of a professional limited liability company and may be the transferee of the interest of an ineligible person or deceased member of the professional limited liability company:

(a) A professional corporation, if its shareholders, directors, and its officers other than the secretary and the treasurer, are licensed or otherwise legally authorized to render the same specific professional services as the professional limited liability company; and

(b) Another professional limited liability company, if the managers and members of both professional limited liability companies are licensed or otherwise legally authorized to render the same specific professional services.

(6)(a) Notwithstanding any other provision of this chapter, health care professionals who are licensed or certified pursuant to chapters 18.06, ~~((18.19;)) 18.01 through 16 of this act~~, 18.22, 18.25, 18.29, 18.34, 18.35, 18.36A, 18.50, 18.53, 18.55, 18.57, 18.57A, 18.64, 18.71, 18.71A, 18.79, 18.83, 18.89, 18.108, and 18.138 RCW may own membership interests in and render their individual professional services through one limited liability company and are to be considered, for the purpose of forming a limited liability company, as rendering the "same specific professional services" or "same professional services" or similar terms.

(b) Notwithstanding any other provision of this chapter, health care professionals who are regulated under chapters 18.59 and 18.74 RCW may own membership interests in and render their individual professional services through one limited liability company formed for the sole purpose of providing professional services within their respective scope of practice.

(c) Formation of a limited liability company under this subsection does not restrict the application of the uniform disciplinary act under chapter 18.130 RCW, or any applicable health care professional statutes under Title 18 RCW, including but not limited to restrictions on persons practicing a health profession without being appropriately credentialed and persons practicing beyond the scope of their credential.

Sec. 33. RCW 48.43.087 and 1996 c 304 s 1 are each amended to read as follows:

(1) For purposes of this section:

(a) "Health carrier" includes disability insurers regulated under chapter 48.20 or 48.21 RCW, health care services contractors regulated under chapter 48.44 RCW, plans operating under the health care authority under chapter 41.05 RCW, the basic health plan operating under chapter 70.47 RCW, the state health insurance pool operating under chapter 48.41 RCW, insuring entities regulated under this chapter, and health maintenance organizations regulated under chapter 48.46 RCW.

(b) "Intermediary" means a person duly authorized to negotiate and execute provider contracts with health carriers on behalf of mental health care practitioners.

(c) Consistent with their lawful scopes of practice, "mental health care practitioners" includes only the following: Any generally recognized medical specialty of practitioners licensed under chapter 18.57 or 18.71 RCW who provide mental health services, advanced practice psychiatric nurses as authorized by the nursing care quality assurance commission under chapter 18.79 RCW, psychologists licensed under chapter 18.83 RCW, ~~((social workers, marriage and family therapists, and mental health counselors certified under chapter 18.19 RCW))~~ and mental health counselors, marriage and family therapists, and social workers licensed under chapter 18.—RCW (sections 1 through 16 of this act).

(d) "Mental health services" means outpatient services.

(2) Consistent with federal and state law and rule, no contract between a mental health care practitioner and an intermediary or between a mental health care practitioner and a health carrier that is written, amended, or renewed after June 6, 1996, may contain a provision prohibiting a practitioner and an enrollee from agreeing to contract for services solely at the expense of the enrollee as follows:

- (a) On the exhaustion of the enrollee's mental health care coverage;
- (b) During an appeal or an adverse certification process;
- (c) When an enrollee's condition is excluded from coverage; or
- (d) For any other clinically appropriate reason at any time.

(3) If a mental health care practitioner provides services to an enrollee during an appeal or adverse certification process, the practitioner must provide to the enrollee written notification that the enrollee is responsible for payment of these services, unless the health carrier elects to pay for services provided.

(4) This section does not apply to a mental health care practitioner who is employed full time on the staff of a health carrier.

NEW SECTION. Sec. 34. A new section is added to chapter 70.02 RCW to read as follows:

Mental health counselors, marriage and family therapists, and social workers licensed under chapter 18.—RCW (sections 1 through 16 of this act) are subject to this chapter.

NEW SECTION. Sec. 35. 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. 36. Sections 1 through 16 of this act constitute a new chapter in Title 18 RCW.

NEW SECTION. Sec. 37. The following acts or parts of acts are each repealed:

(1) RCW 18.19.070 (Council established—Membership—Qualifications—Removal—Vacancy—Duties and powers—Compensation) and 1996 c 191 s 4, 1994 sp.s. c 9 s 501, 1991 c 3 s 22, & 1987 c 512 s 7;

(2) RCW 18.19.110 (Certification of social workers) and 1991 c 3 s 26 & 1987 c 512 s 12;

(3) RCW 18.19.120 (Certification of mental health counselors—Practice defined—Continuing education) and 1995 c 183 s 1, 1991 c 3 s 27, & 1987 c 512 s 13;

(4) RCW 18.19.130 (Certification of marriage and family therapists—Practice defined) and 1993 c 259 s 1, 1991 c 3 s 28, & 1987 c 512 s 14;

(5) RCW 18.19.140 (Applications for certification) and 1991 c 3 s 29 & 1987 c 512 s 17;

(6) RCW 18.19.150 (Examination of applicants for certification) and 1991 c 3 s 30 & 1987 c 512 s 16;

(7) RCW 18.19.160 (Certification of persons credentialed out-of-state—Temporary retirement of certified persons) and 1991 c 3 s 31 & 1987 c 512 s 19; and

(8) RCW 18.19.170 (Renewal of certificates—Continuing education) and 1998 c 32 s 1, 1996 c 191 s 6, 1991 c 3 s 32, & 1987 c 512 s 15.

Passed the Senate April 17, 2001.

Passed the House April 6, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 252

[Senate Bill 5921]

GRADUATE EDUCATION IN PHYSICAL THERAPY

AN ACT Relating to graduate education in physical therapy; and adding a new section to chapter 28B.35 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 28B.35 RCW to read as follows:

The board of trustees of Eastern Washington University may offer applied, but not research, doctorate level degrees in physical therapy subject to review and approval by the higher education coordinating board.

Passed the Senate April 18, 2001.

Passed the House April 11, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 253

[Substitute Senate Bill 5961]

FISH AND WILDLIFE STATUTES—TECHNICAL CORRECTIONS

AN ACT Relating to making technical corrections to fish and wildlife statutes; amending RCW 4.24.350, 43.70.185, 46.09.200, 46.10.200, 69.30.010, 69.30.110, 69.30.140, 70.93.050, 76.04.045, 77.08.010, 77.12.039, 77.12.043, 77.12.045, 77.12.047, 77.12.170, 77.12.177, 77.12.204, 77.12.264, 77.12.320, 77.12.325, 77.12.425, 77.12.455, 77.15.080, 77.15.090, 77.15.094, 77.15.096, 77.15.110, 77.15.150, 77.15.180, 77.15.210, 77.15.250, 77.15.260, 77.15.270, 77.15.290, 77.15.330, 77.15.340,

77.15.370, 77.15.380, 77.15.390, 77.15.400, 77.15.480, 77.15.510, 77.15.550, 77.15.600, 77.15.700, 77.15.730, 77.16.220, 77.32.010, 77.32.014, 77.32.250, 77.32.535, 77.44.070, 77.55.280, 77.55.290, 77.70.010, 77.70.150, 77.70.190, and 79A.60.100; reenacting and amending RCW 77.15.245; adding new sections to chapter 77.65 RCW; adding new sections to chapter 77.15 RCW; adding new sections to chapter 77.55 RCW; recodifying RCW 77.12.055, 77.65.470, 77.12.425, 77.16.220, and 77.32.220; and repealing RCW 77.12.030, 77.12.040, 77.12.105, 77.12.250, 77.12.295, 77.12.457, 77.12.724, and 77.32.420.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 4.24.350 and 1997 c 206 s 1 are each amended to read as follows:

(1) In any action for damages, whether based on tort or contract or otherwise, a claim or counterclaim for damages may be litigated in the principal action for malicious prosecution on the ground that the action was instituted with knowledge that the same was false, and unfounded, malicious and without probable cause in the filing of such action, or that the same was filed as a part of a conspiracy to misuse judicial process by filing an action known to be false and unfounded.

(2) In any action, claim, or counterclaim brought by a judicial officer, prosecuting authority, or law enforcement officer for malicious prosecution arising out of the performance or purported performance of the public duty of such officer, an arrest or seizure of property need not be an element of the claim, nor do special damages need to be proved. A judicial officer, prosecuting authority, or law enforcement officer prevailing in such an action may be allowed an amount up to one thousand dollars as liquidated damages, together with a reasonable attorneys' fee, and other costs of suit. A government entity which has provided legal services to the prevailing judicial officer, prosecuting authority, or law enforcement officer has reimbursement rights to any award for reasonable attorneys' fees and other costs, but shall have no such rights to any liquidated damages allowed.

(3) No action may be brought against an attorney under this section solely because of that attorney's representation of a party in a lawsuit.

(4) As used in this section:

(a) "Judicial officer" means a justice, judge, magistrate, or other judicial officer of the state or a city, town, or county.

(b) "Prosecuting authority" means any officer or employee of the state or a city, town, or county who is authorized by law to initiate a criminal or civil proceeding on behalf of the public.

(c) "Law enforcement officer" means a member of the state patrol, a sheriff or deputy sheriff, or a member of the police force of a city, town, university, state college, or port district, or a (~~"wildlife agent" or "ex officio wildlife agent"~~) fish and wildlife officer or ex officio fish and wildlife officer as defined in RCW 77.08.010.

Sec. 2. RCW 43.70.185 and 1995 c 147 s 7 are each amended to read as follows:

(1) The department may enter and inspect any property, lands, or waters, of this state in or on which any marine species are located or from which such species

are harvested, whether recreationally or for sale or barter, and any land or water of this state which may cause or contribute to the pollution of areas in or on which such species are harvested or processed. The department may take any reasonably necessary samples to determine whether such species or any lot, batch, or quantity of such species is safe for human consumption.

(2) If the department determines that any species or any lot, batch, or other quantity of such species is unsafe for human consumption because consumption is likely to cause actual harm or because consumption presents a potential risk of substantial harm, the department may, by order under chapter 34.05 RCW, prohibit or restrict the commercial or recreational harvest or landing of any marine species except the recreational harvest of shellfish as defined in chapter 69.30 RCW if taken from privately owned tidelands.

(3) It is unlawful to harvest any marine species in violation of a departmental order prohibiting or restricting such harvest under this section or to possess or sell any marine species so harvested.

(4) Any person who sells any marine species taken in violation of this section is subject to the penalties provided in RCW 69.30.140 and 69.30.150. Any person who harvests or possesses marine species taken in violation of this section is guilty of a civil infraction and is subject to the penalties provided in RCW 69.30.150. Notwithstanding this section, any person who harvests, possesses, sells, offers to sell, culls, shucks, or packs shellfish is subject to the penalty provisions of chapter 69.30 RCW. Charges shall not be brought against a person under both chapter 69.30 RCW and this section in connection with this same action, incident, or event.

(5) The criminal provisions of this section are subject to enforcement by fish and wildlife (~~enforcement~~) officers or ex officio fish and wildlife (~~enforcement patrol~~) officers as defined in RCW (~~75.08.011~~) 77.08.010.

(6) As used in this section, marine species include all fish, invertebrate or plant species which are found during any portion of the life cycle of those species in the marine environment.

Sec. 3. RCW 46.09.200 and 1986 c 100 s 52 are each amended to read as follows:

The provisions of this chapter shall be enforced by all persons having the authority to enforce any of the laws of this state, including, without limitation, officers of the state patrol, county sheriffs and their deputies, all municipal law enforcement officers within their respective jurisdictions, (~~state wildlife agents and deputy wildlife agents~~) fish and wildlife officers, state park rangers, (~~state fisheries patrolmen~~;) and those employees of the department of natural resources designated by the commissioner of public lands under RCW 43.30.310, 76.04.035, and 76.04.045.

Sec. 4. RCW 46.10.200 and 1980 c 78 s 131 are each amended to read as follows:

The provisions of this chapter shall be enforced by all persons having the authority to enforce any of the laws of this state, including, without limitation,

officers of the state patrol, county sheriffs and their deputies, all municipal law enforcement officers within their respective jurisdictions, fish and wildlife ((agents)) officers, state park rangers, ~~((state fisheries patrol officers;))~~ and those employees of the department of natural resources designated by the commissioner of public lands under RCW 43.30.310, as having police powers to enforce the laws of this state.

Sec. 5. RCW 69.30.010 and 1995 c 147 s 1 are each amended to read as follows:

When used in this chapter, the following terms shall have the following meanings:

(1) "Shellfish" means all varieties of fresh and frozen oysters, mussels, clams, and scallops, either shucked or in the shell, and any fresh or frozen edible products thereof.

(2) "Sale" means to sell, offer for sale, barter, trade, deliver, consign, hold for sale, consignment, barter, trade, or delivery, and/or possess with intent to sell or dispose of in any commercial manner.

(3) "Shellfish growing areas" means the lands and waters in and upon which shellfish are grown for harvesting in commercial quantity or for sale for human consumption.

(4) "Establishment" means the buildings, together with the necessary equipment and appurtenances, used for the storage, culling, shucking, packing and/or shipping of shellfish in commercial quantity or for sale for human consumption.

(5) "Person" means any individual, partnership, firm, company, corporation, association, or the authorized agents of any such entities.

(6) "Department" means the state department of health.

(7) "Secretary" means the secretary of health or his or her authorized representatives.

(8) "Commercial quantity" means any quantity exceeding: (a) Forty pounds of mussels; (b) one hundred oysters; (c) fourteen borse clams; (d) six geoducks; (e) fifty pounds of hard or soft shell clams; or (f) fifty pounds of scallops. The poundage in this subsection (8) constitutes weight with the shell.

(9) "Fish and wildlife ~~((enforcement)) officer~~" means a ~~((fisheries patrol officer or an ex officio fisheries patrol))~~ fish and wildlife officer as defined in RCW ((75.08.011 (4) and (5) or a wildlife agent or an ex officio wildlife agent as defined in RCW 77.08.010 (5) and (6)) 77.08.010.

(10) "Ex officio fish and wildlife officer" means an ex officio fish and wildlife officer as defined in RCW 77.08.010.

Sec. 6. RCW 69.30.110 and 1995 c 147 s 4 are each amended to read as follows:

It is unlawful for any person to possess a commercial quantity of shellfish or to sell or offer to sell shellfish in the state which have not been grown, shucked, packed, or shipped in accordance with the provisions of this chapter. Failure of a shellfish grower to display immediately a certificate of approval issued under RCW

69.30.050 to an authorized representative of the department, a fish and wildlife ~~((enforcement))~~ officer, or an ex officio fish and wildlife ~~((enforcement))~~ officer subjects the grower to the penalty provisions of this chapter, as well as immediate seizure of the shellfish by the representative or officer.

Failure of a shellfish processor to display a certificate of approval issued under RCW 69.30.060 to an authorized representative of the department, a fish and wildlife ~~((enforcement))~~ officer, or an ex officio fish and wildlife ~~((enforcement))~~ officer subjects the processor to the penalty provisions of this chapter, as well as immediate seizure of the shellfish by the representative or officer.

Shellfish seized under this section shall be subject to prompt disposal by the representative or officer and may not be used for human consumption. The state board of health shall develop by rule procedures for the disposal of the seized shellfish.

Sec. 7. RCW 69.30.140 and 1995 c 147 s 6 are each amended to read as follows:

Any person convicted of violating any of the provisions of this chapter shall be guilty of a gross misdemeanor. A conviction is an unvacated forfeiture of bail or collateral deposited to secure the defendant's appearance in court, the payment of a fine, a plea of guilty, or a finding of guilt on a violation of this chapter, regardless of whether imposition of sentence is deferred or the penalty is suspended, and shall be treated as a ~~((violation))~~ conviction for purposes of license ~~((forfeiture))~~ revocation and suspension of privileges under RCW ~~((75.10.120))~~ 77.15.700(5).

Sec. 8. RCW 70.93.050 and 1980 c 78 s 132 are each amended to read as follows:

The director shall designate trained employees of the department to be vested with police powers to enforce and administer the provisions of this chapter and all rules ~~((and regulations))~~ adopted thereunder. The director shall also have authority to contract with other state and local governmental agencies having law enforcement capabilities for services and personnel reasonably necessary to carry out the enforcement provisions of this chapter. In addition, state patrol officers, fish and wildlife ~~((agents))~~ officers, fire wardens, deputy fire wardens and forest rangers, sheriffs and marshals and their deputies, and police officers, and those employees of the department of ecology and the parks and recreation commission vested with police powers all shall enforce the provisions of this chapter and all rules ~~((and regulations))~~ adopted thereunder and are hereby empowered to issue citations to and/or arrest without warrant, persons violating any provision of this chapter or any of the rules ~~((and regulations))~~ adopted hereunder. All of the foregoing enforcement officers may serve and execute all warrants, citations, and other process issued by the courts in enforcing the provisions of this chapter and rules ~~((and regulations))~~ adopted hereunder. In addition, mailing by registered mail of such warrant, citation, or other process to his or her last known place of residence shall be deemed as personal service upon the person charged.

Sec. 9. RCW 76.04.045 and 1986 c 100 s 5 are each amended to read as follows:

(1) All Washington state patrol officers, (~~wildlife agents, fisheries patrol~~) fish and wildlife officers, deputy state fire marshals, and state park rangers, while in their respective jurisdictions, shall be ex officio rangers.

(2) Employees of the United States forest service, when recommended by their forest supervisor, and citizens of the state advantageously located may, at the discretion of the department, be commissioned as rangers and vested with the certain powers and duties of wardens as specified in this chapter and as directed by the department.

(3) Rangers shall receive no compensation for their services except when employed in cooperation with the state and under the provisions of this chapter and shall not create any indebtedness or incur any liability on behalf of the state: PROVIDED, That rangers actually engaged in extinguishing or preventing the spread of fire on forest land or elsewhere that may endanger forest land shall, when their accounts for such service have been approved by the department, be entitled to receive compensation for such services at a rate to be fixed by the department.

(4) The department may cancel the commission of any ranger or authority granted to any ex officio ranger who may be incompetent or unwilling to discharge properly the duties of the office.

Sec. 10. RCW 77.08.010 and 2000 c 107 s 207 are each amended to read as follows:

As used in this title or rules adopted under this title, unless the context clearly requires otherwise:

(1) "Director" means the director of fish and wildlife.

(2) "Department" means the department of fish and wildlife.

(3) "Commission" means the state fish and wildlife commission.

(4) "Person" means and includes an individual; a corporation; a public or private entity or organization; a local, state, or federal agency; all business organizations, including corporations and partnerships; or a group of two or more individuals acting with a common purpose whether acting in an individual, representative, or official capacity.

(5) "Fish and wildlife officer" means a person appointed and commissioned by the director, with authority to enforce this title and rules adopted pursuant to this title, and other statutes as prescribed by the legislature. Fish and wildlife officer includes a person commissioned before June 11, 1998, as a wildlife agent or a fisheries patrol officer.

(6) "Ex officio fish and wildlife officer" means a commissioned officer of a municipal, county, state, or federal agency having as its primary function the enforcement of criminal laws in general, while the officer is in the appropriate jurisdiction. The term "ex officio fish and wildlife officer" includes special agents of the national marine fisheries service, state parks commissioned officers, United States fish and wildlife special agents, department of natural resources enforcement

officers, and United States forest service officers, while the agents and officers are within their respective jurisdictions.

(7) "To hunt" and its derivatives means an effort to kill, injure, capture, or harass a wild animal or wild bird.

(8) "To trap" and its derivatives means a method of hunting using devices to capture wild animals or wild birds.

(9) "To fish," "to harvest," and "to take," and their derivatives means an effort to kill, injure, harass, or catch a fish or shellfish.

(10) "Open season" means those times, manners of taking, and places or waters established by rule of the commission for the lawful hunting, fishing, taking, or possession of game animals, game birds, game fish, food fish, or shellfish that conform to the special restrictions or physical descriptions established by rule of the commission or that have otherwise been deemed legal to hunt, fish, take, harvest, or possess by rule of the commission. "Open season" includes the first and last days of the established time.

(11) "Closed season" means all times, manners of taking, and places or waters other than those established by rule of the commission as an open season. "Closed season" also means all hunting, fishing, taking, or possession of game animals, game birds, ~~((or))~~ game fish, food fish, or shellfish that do not conform to the special restrictions or physical descriptions established by rule of the commission as an open season or that have not otherwise been deemed legal to hunt, fish, take, harvest, or possess by rule of the commission as an open season.

(12) "Closed area" means a place where the hunting of some or all species of wild animals or wild birds is prohibited.

(13) "Closed waters" means all or part of a lake, river, stream, or other body of water, where fishing ~~((for game fish))~~ or harvesting is prohibited.

(14) "Game reserve" means a closed area where hunting for all wild animals and wild birds is prohibited.

(15) "Bag limit" means the maximum number of game animals, game birds, or game fish which may be taken, caught, killed, or possessed by a person, as specified by rule of the commission for a particular period of time, or as to size, sex, or species.

(16) "Wildlife" means all species of the animal kingdom whose members exist in Washington in a wild state. This includes but is not limited to mammals, birds, reptiles, amphibians, fish, and invertebrates. The term "wildlife" does not include feral domestic mammals, old world rats and mice of the family Muridae of the order Rodentia, or those fish, shellfish, and marine invertebrates classified as food fish or shellfish by the director. The term "wildlife" includes all stages of development and the bodily parts of wildlife members.

(17) "Wild animals" means those species of the class Mammalia whose members exist in Washington in a wild state and the species *Rana catesbeiana* (bullfrog). The term "wild animal" does not include feral domestic mammals or old world rats and mice of the family Muridae of the order Rodentia.

(18) "Wild birds" means those species of the class Aves whose members exist in Washington in a wild state.

(19) "Protected wildlife" means wildlife designated by the commission that shall not be hunted or fished.

(20) "Endangered species" means wildlife designated by the commission as seriously threatened with extinction.

(21) "Game animals" means wild animals that shall not be hunted except as authorized by the commission.

(22) "Fur-bearing animals" means game animals that shall not be trapped except as authorized by the commission.

(23) "Game birds" means wild birds that shall not be hunted except as authorized by the commission.

(24) "Predatory birds" means wild birds that may be hunted throughout the year as authorized by the commission.

(25) "Deleterious exotic wildlife" means species of the animal kingdom not native to Washington and designated as dangerous to the environment or wildlife of the state.

(26) "Game farm" means property on which wildlife is held or raised for commercial purposes, trade, or gift. The term "game farm" does not include publicly owned facilities.

(27) "Person of disability" means a permanently disabled person who is not ambulatory without the assistance of a wheelchair, crutches, or similar devices.

(28) "Fish" includes all species classified as game fish or food fish by statute or rule, as well as all fin fish not currently classified as food fish or game fish if such species exist in state waters. The term "fish" includes all stages of development and the bodily parts of fish species.

(29) "Raffle" means an activity in which tickets bearing an individual number are sold for not more than twenty-five dollars each and in which a permit or permits are awarded to hunt or for access to hunt big game animals or wild turkeys on the basis of a drawing from the tickets by the person or persons conducting the raffle.

(30) "Youth" means a person fifteen years old for fishing and under sixteen years old for hunting.

(31) "Senior" means a person seventy years old or older.

(32) "License year" means the period of time for which a recreational license is valid. The license year begins April 1st, and ends March 31st.

(33) "Saltwater" means those marine waters seaward of river mouths.

(34) "Freshwater" means all waters not defined as saltwater including, but not limited to, rivers upstream of the river mouth, lakes, ponds, and reservoirs.

(35) "State waters" means all marine waters and fresh waters within ordinary high water lines and within the territorial boundaries of the state.

(36) "Offshore waters" means marine waters of the Pacific Ocean outside the territorial boundaries of the state, including the marine waters of other states and countries.

(37) "Concurrent waters of the Columbia river" means those waters of the Columbia river that coincide with the Washington-Oregon state boundary.

(38) "Resident" means a person who has maintained a permanent place of abode within the state for at least ninety days immediately preceding an application for a license, has established by formal evidence an intent to continue residing within the state, and who is not licensed to hunt or fish as a resident in another state.

(39) "Nonresident" means a person who has not fulfilled the qualifications of a resident.

(40) "Shellfish" means those species of marine and freshwater invertebrates that have been classified and that shall not be taken except as authorized by rule of the commission. The term "shellfish" includes all stages of development and the bodily parts of shellfish species.

(41) "Commercial" means related to or connected with buying, selling, or bartering. ~~((Fishing for food fish or shellfish with gear unlawful for fishing for personal use, or possessing food fish or shellfish in excess of the limits permitted for personal use are commercial activities.))~~

(42) "To process" and its derivatives mean preparing or preserving ~~((food))~~ fish, wildlife, or shellfish.

(43) "Personal use" means for the private use of the individual taking the ~~((food))~~ fish or shellfish and not for sale or barter.

(44) "Angling gear" means a line attached to a rod and reel capable of being held in hand while landing the fish or a hand-held line operated without rod or reel.

(45) "Fishery" means the taking of one or more particular species of ~~((food))~~ fish or shellfish with particular gear in a particular geographical area.

(46) "Limited-entry license" means a license subject to a license limitation program established in chapter 77.70 RCW.

(47) "Seaweed" means marine aquatic plant species that are dependent upon the marine aquatic or tidal environment, and exist in either an attached or free floating form, and includes but is not limited to marine aquatic plants in the classes Chlorophyta, Phaeophyta, and Rhodophyta.

(48) "Trafficking" means offering, attempting to engage, or engaging in sale, barter, or purchase of fish, shellfish, wildlife, or deleterious exotic wildlife.

Sec. 11. RCW 77.12.039 and 2000 c 107 s 5 are each amended to read as follows:

The director may accept money or real property from persons under conditions requiring the use of the property or money for the protection, rehabilitation, preservation, or conservation of the state wildlife, ~~((food))~~ fish, and shellfish resources, or in settlement of claims for damages to wildlife, ~~((food))~~ fish, and shellfish resources. The director shall only accept real property useful for the

protection, rehabilitation, preservation, or conservation of ~~((these fisheries))~~ fish, shellfish, and wildlife resources.

Sec. 12. RCW 77.12.043 and 1985 c 458 s 7 are each amended to read as follows:

(1) The director may enter into contracts and agreements with a person to secure ~~((food))~~ fish or shellfish or for the construction, operation, and maintenance of facilities for the propagation of ~~((food))~~ fish or shellfish.

(2) The director may enter into contracts and agreements to procure from private aquaculturists ~~((food))~~ fish or shellfish with which to stock state waters.

Sec. 13. RCW 77.12.045 and 1995 1st sp.s. c 2 s 10 are each amended to read as follows:

Consistent with federal law, the commission's authority extends to all areas and waters within the territorial boundaries of the state, to the offshore waters, and to the concurrent waters of the Columbia river.

Consistent with federal law, the commission's authority extends to fishing in offshore waters by residents of this state.

The commission may adopt rules consistent with the regulations adopted by the United States department of commerce for the offshore waters. The commission may adopt rules consistent with the recommendations or regulations of the Pacific marine fisheries commission, Columbia river compact, the Pacific salmon commission as provided in chapter ~~((75.40))~~ 77.75 RCW, or the international Pacific halibut commission.

Sec. 14. RCW 77.12.047 and 2000 c 107 s 7 are each amended to read as follows:

(1) The commission may adopt, amend, or repeal rules as follows:

(a) Specifying the times when the taking of wildlife, ~~((food))~~ fish, or shellfish is lawful or unlawful.

(b) Specifying the areas and waters in which the taking and possession of wildlife, ~~((food))~~ fish, or shellfish is lawful or unlawful.

(c) Specifying and defining the gear, appliances, or other equipment and methods that may be used to take wildlife, ~~((food))~~ fish, or shellfish, and specifying the times, places, and manner in which the equipment may be used or possessed.

(d) Regulating the importation, transportation, possession, disposal, landing, and sale of wildlife, ~~((food))~~ fish, ~~((or))~~ shellfish, or seaweed within the state, whether acquired within or without the state.

(e) Regulating the prevention and suppression of diseases and pests affecting wildlife, ~~((food))~~ fish, or shellfish.

(f) Regulating the size, sex, species, and quantities of wildlife, ~~((food))~~ fish, or shellfish that may be taken, possessed, sold, or disposed of.

(g) Specifying the statistical and biological reports required from ~~((fishermen))~~ fishers, dealers, boathouses, or processors of wildlife, ~~((food))~~ fish, or shellfish.

(h) Classifying species of marine and freshwater life as food fish or shellfish.

(i) Classifying the species of wildlife, ~~((food))~~ fish, and shellfish that may be used for purposes other than human consumption.

~~(j) Regulating the taking, sale, possession, and distribution of wildlife, fish, shellfish, or deleterious exotic wildlife.~~

~~(k) Establishing game reserves and closed areas where hunting for wild animals or wild birds may be prohibited.~~

~~(l) Regulating the harvesting of fish, shellfish, and wildlife in the federal exclusive economic zone by vessels or individuals registered or licensed under the laws of this state.~~

~~(m) Authorizing issuance of permits to release, plant, or place fish or shellfish in state waters.~~

~~(n) Governing the possession of fish, shellfish, or wildlife so that the size, species, or sex can be determined visually in the field or while being transported.~~

(o) Other rules necessary to carry out this title and the purposes and duties of the department.

(2) Subsections (1)(a), (b), (c), (d), and (f) of this section do not apply to private tideland owners and lessees and the immediate family members of the owners or lessees of state tidelands, when they take or possess oysters, clams, cockles, borers, or mussels, excluding razor clams, produced on their own private tidelands or their leased state tidelands for personal use.

"Immediate family member" for the purposes of this section means a spouse, brother, sister, grandparent, parent, child, or grandchild.

(3) Except for subsection (1)(g) of this section, this section does not apply to private sector cultured aquatic products as defined in RCW 15.85.020. Subsection (1)(g) of this section does apply to such products.

Sec. 15. RCW 77.12.170 and 2000 c 107 s 216 are each amended to read as follows:

(1) There is established in the state treasury the state wildlife fund which consists of moneys received from:

(a) Rentals or concessions of the department;

(b) The sale of real or personal property held for department purposes;

(c) The sale of licenses, permits, tags, and stamps ~~((and punchcards))~~ required by ~~((this title))~~ chapter 77.32 RCW and section 56 of this act, except annual resident adult saltwater and all shellfish licenses, which shall be deposited into the state general fund;

(d) Fees for informational materials published by the department;

(e) Fees for personalized vehicle license plates as provided in chapter 46.16 RCW;

(f) Articles or wildlife sold by the director under this title;

(g) Compensation for damage to department property or wildlife losses or contributions, gifts, or grants received under RCW 77.12.320 or 77.32.380;

(h) Excise tax on anadromous game fish collected under chapter 82.27 RCW;

(i) The sale of personal property seized by the department for ((food)) fish, shellfish, or wildlife violations; and

(j) The department's share of revenues from auctions and raffles authorized by the commission.

(2) State and county officers receiving any moneys listed in subsection (1) of this section shall deposit them in the state treasury to be credited to the state wildlife fund.

Sec. 16. RCW 77.12.177 and 2000 c 107 s 10 are each amended to read as follows:

(1) Except as provided in this title, state and county officers receiving the following moneys shall deposit them in the state general fund:

(a) The sale of commercial licenses required under this title, except for licenses issued under ((chapter 77.32 RCW)) section 56 of this act; and

(b) Moneys received for damages to food fish or shellfish.

(2) The director shall make weekly remittances to the state treasurer of moneys collected by the department.

(3) All fines and forfeitures collected or assessed by a district court for a violation of this title or rule of the department shall be remitted as provided in chapter 3.62 RCW.

(4) Proceeds from the sale of food fish or shellfish taken in test fishing conducted by the department, to the extent that these proceeds exceed the estimates in the budget approved by the legislature, may be allocated as unanticipated receipts under RCW 43.79.270 to reimburse the department for unanticipated costs for test fishing operations in excess of the allowance in the budget approved by the legislature.

(5) Proceeds from the sale of salmon carcasses and salmon eggs from state general funded hatcheries by the department of general administration shall be deposited in the regional fisheries enhancement group account established in RCW 77.95.090.

(6) Moneys received by the commission under RCW 77.12.039, to the extent these moneys exceed estimates in the budget approved by the legislature, may be allocated as unanticipated receipts under RCW 43.79.270. Allocations under this subsection shall be made only for the specific purpose for which the moneys were received, unless the moneys were received in settlement of a claim for damages to food fish or shellfish, in which case the moneys may be expended for the conservation of these resources.

(7) Proceeds from the sale of herring spawn on kelp fishery licenses by the department, to the extent those proceeds exceed estimates in the budget approved by the legislature, may be allocated as unanticipated receipts under RCW 43.79.270. Allocations under this subsection shall be made only for herring management, enhancement, and enforcement.

Sec. 17. RCW 77.12.204 and 2000 c 107 s 217 are each amended to read as follows:

The department of fish and wildlife shall implement practices necessary to meet the standards developed under RCW 79.01.295 on agency-owned and managed agricultural and grazing lands. The standards may be modified on a site-specific basis as necessary and as determined by the department of fish and wildlife (~~(, for species that these agencies respectively manage,)~~) to achieve the goals established under RCW 79.01.295(1). Existing lessees shall be provided an opportunity to participate in any site-specific field review. Department agricultural and grazing leases issued after December 31, 1994, shall be subject to practices to achieve the standards that meet those developed pursuant to RCW 79.01.295.

This section shall in no way prevent the department of fish and wildlife from managing its lands according to the provisions of RCW (~~(75.08.012)~~) 77.04.012, 77.12.210, or rules adopted pursuant to this chapter.

Sec. 18. RCW 77.12.264 and 2000 c 107 s 9 are each amended to read as follows:

The director shall relieve from active duty fish and wildlife officers who are injured in the performance of their official duties to such an extent as to be incapable of active service. While relieved from active duty, the employees shall receive one-half of their salary less any compensation received through the provisions of RCW 41.40.200, 41.40.220, and (~~(75.08.206)~~) 77.12.262.

Sec. 19. RCW 77.12.320 and 1987 c 506 s 41 are each amended to read as follows:

(1) The commission may make agreements with persons, political subdivisions of this state, or the United States or its agencies or instrumentalities, regarding fish, shellfish, and wildlife-oriented recreation and the propagation, protection, conservation, and control of fish, shellfish, and wildlife.

(2) The director may make written agreements with the owners or lessees of real or personal property to provide for the use of the property for fish, shellfish, and wildlife-oriented recreation. The director may adopt rules governing the conduct of persons in or on the real property.

(3) The director may accept compensation for fish, shellfish, and wildlife losses or gifts or grants of personal property for use by the department.

Sec. 20. RCW 77.12.325 and 1980 c 78 s 52 are each amended to read as follows:

The commission may cooperate with the Oregon fish and wildlife commission in the adoption of rules to (~~(assure)~~) ensure an annual yield of fish, shellfish, and wildlife on the Columbia river and to prevent the taking of fish, shellfish, and wildlife at places or times that might endanger fish, shellfish, and wildlife.

Sec. 21. RCW 77.12.425 and 1980 c 78 s 90 are each amended to read as follows:

The director may authorize removal, relocation, reconstruction, or other modification of an inadequate fishway or fish protective device required by RCW (~~(77.16.210 and)~~) 77.16.220 (as recodified by this act) which device was in

existence on September 1, 1963, without cost to the owner for materials and labor. The modification may not materially alter the amount of water flowing through the fishway or fish protective device. Following modification, the fishway or fish protective device shall be maintained at the expense of the person or governmental agency owning the obstruction or water diversion device.

Sec. 22. RCW 77.12.455 and 1995 1st sp.s. c 2 s 16 are each amended to read as follows:

The commission may prohibit the introduction, transportation or transplanting of ((food)) fish, shellfish, organisms, material, or other equipment which in the commission's judgment may transmit any disease or pests affecting ((food)) fish or shellfish.

Sec. 23. RCW 77.15.080 and 2000 c 107 s 233 are each amended to read as follows:

Based upon articulable facts that a person is engaged in fishing, harvesting, or hunting activities, fish and wildlife officers have the authority to temporarily stop the person and check for valid licenses, tags, permits, stamps, or catch record cards, and to inspect all fish, shellfish, seaweed, and wildlife in possession as well as the equipment being used to ensure compliance with the requirements of this title, and may request the person to write his or her signature for comparison with the signature on the license. Failure to comply with the request is prima facie evidence that the person is not the person named on the license.

Sec. 24. RCW 77.15.090 and 2000 c 107 s 234 are each amended to read as follows:

On a showing of probable cause that there has been a violation of any fish, seaweed, shellfish, or wildlife law of the state of Washington, or upon a showing of probable cause to believe that evidence of such violation may be found at a place, a court shall issue a search warrant or arrest warrant. Fish and wildlife officers may execute any such arrest or search warrant reasonably necessary to their duties under this title and may seize fish, seaweed, shellfish, and wildlife or any evidence of a crime and the fruits or instrumentalities of a crime as provided by warrant. The court may have a building, enclosure, vehicle, vessel, container, or receptacle opened or entered and the contents examined.

Sec. 25. RCW 77.15.094 and 2000 c 107 s 214 are each amended to read as follows:

Fish and wildlife officers and ex officio fish and wildlife officers may make a reasonable search without warrant of a vessel, conveyances, vehicles, containers, packages, or other receptacles for fish, seaweed, shellfish, and wildlife which they have reason to believe contain evidence of a violation of law or rules adopted pursuant to this title and seize evidence as needed for law enforcement. This authority does not extend to quarters in a boat, building, or other property used exclusively as a private domicile, does not extend to transitory residences in which a person has a reasonable expectation of privacy, and does not allow search and

seizure without a warrant if the thing or place is protected from search without warrant within the meaning of Article I, section 7 of the state Constitution. Seizure of property as evidence of a crime does not preclude seizure of the property for forfeiture as authorized by law.

Sec. 26. RCW 77.15.096 and 1998 c 190 s 116 are each amended to read as follows:

Fish and wildlife officers may inspect without warrant at reasonable times and in a reasonable manner the premises, containers, fishing equipment, fish, seaweed, shellfish, and wildlife, and records required by the department of any commercial fisher or wholesale dealer or fish buyer. Fish and wildlife officers may similarly inspect without warrant the premises, containers, fishing equipment, fish, shellfish, and wildlife, and records required by the department of any shipping agent or other person placing or attempting to place fish, shellfish, or wildlife into interstate commerce, any cold storage plant that the department has probable cause to believe contains fish, shellfish, or wildlife, or of any taxidermist or fur buyer. Fish and wildlife officers may inspect without warrant the records required by the department of any retail outlet selling fish, shellfish, or wildlife ((or both)), and, if the officers have probable cause to believe a violation of this title or rules of the commission has occurred, they may inspect without warrant the premises, containers, and fish, shellfish, and wildlife of any retail outlet selling fish, shellfish, or wildlife ((or both)).

Sec. 27. RCW 77.15.110 and 1998 c 190 s 8 are each amended to read as follows:

(1) For purposes of this chapter, a person acts for commercial purposes if the person:

(a) Acts with intent to sell, attempted to sell, sold, bartered, attempted to purchase, or purchased fish, seaweed, shellfish, or wildlife;

(b) Uses gear typical of that used in commercial fisheries;

(c) Exceeds the bag or possession limits for personal use by taking or possessing more than three times the amount of fish, seaweed, shellfish, or wildlife allowed;

(d) Delivers or attempts to deliver fish, seaweed, shellfish, or wildlife to a person who sells or resells fish, seaweed, shellfish, or wildlife including any licensed or unlicensed wholesaler; ((or))

(e) Takes fish or shellfish using a vessel designated on a commercial fishery license and gear not authorized in a personal use fishery;

(f) Sells or deals in raw furs; or

(g) Performs taxidermy service on fish, shellfish, or wildlife belonging to another person for a fee or receipt of goods or services.

(2) For purposes of this chapter, the value of any fish, shellfish, or wildlife may be proved based on evidence of legal or illegal sales involving the person charged or any other person, of offers to sell or solicitation of offers to sell by the person charged or by any other person, or of any market price for the fish,

shellfish, or wildlife including market price for farm-raised game animals. The value assigned to specific fish, shellfish, or wildlife by RCW ((77.21.070)) 77.15.420 may be presumed to be the value of such fish, shellfish, or wildlife. It is not relevant to proof of value that the person charged misrepresented that the fish, shellfish, or wildlife was taken in compliance with law if the fish, shellfish, or wildlife was unlawfully taken and had no lawful market value.

Sec. 28. RCW 77.15.150 and 1998 c 190 s 16 are each amended to read as follows:

(1) A person is guilty of unlawful use of poison or explosives if:

(a) The person lays out, sets out, or uses a drug, poison, or other deleterious substance that kills, injures, harms, or endangers fish, shellfish, or wildlife, except if the person is using the substance in compliance with federal and state laws and label instructions; or

(b) The person lays out, sets out, or uses an explosive that kills, injures, harms, or endangers fish, shellfish, or wildlife, except if authorized by law or permit of the director.

(2) Unlawful use of poison or explosives is a gross misdemeanor.

Sec. 29. RCW 77.15.180 and 1998 c 190 s 22 are each amended to read as follows:

(1) A person is guilty of unlawful interference with fishing or hunting gear in the second degree if the person:

(a) Takes or releases a wild animal from another person's trap without permission;

(b) Springs, pulls up, damages, possesses, or destroys another person's trap without the owner's permission; or

(c) Interferes with recreational gear used to take fish or shellfish.

(2) Unlawful interference with fishing or hunting gear in the second degree is a misdemeanor.

(3) A person is guilty of unlawful interference with fishing or hunting gear in the first degree if the person:

(a) Takes or releases ((food)) fish or shellfish from commercial fishing gear without the owner's permission; or

(b) Intentionally destroys or interferes with commercial fishing gear.

(4) Unlawful interference with fishing or hunting gear in the first degree is a gross misdemeanor.

(5) A person is not in violation of unlawful interference with fishing or hunting gear if the person removes a trap placed on property owned, leased, or rented by the person.

Sec. 30. RCW 77.15.210 and 1998 c 190 s 24 are each amended to read as follows:

(1) A person is guilty of obstructing the taking of fish or wildlife if the person:

(a) Harasses, drives, or disturbs fish, shellfish, or wildlife with the intent of disrupting lawful pursuit or taking thereof; or

(b) Harasses, intimidates, or interferes with an individual engaged in the lawful taking of fish, shellfish, or wildlife or lawful predator control with the intent of disrupting lawful pursuit or taking thereof.

(2) Obstructing the taking of fish, shellfish, or wildlife is a gross misdemeanor.

(3) It is an affirmative defense to a prosecution for obstructing the taking of fish, shellfish, or wildlife that the person charged was:

(a) Interfering with a person engaged in hunting outside the legally established hunting season; or

(b) Preventing or attempting to prevent unauthorized trespass on private property.

(4) The person raising a defense under subsection (3) of this section has the burden of proof by a preponderance of the evidence.

Sec. 31. RCW 77.15.245 and 2000 c 248 s 1 and 2000 c 107 s 260 are each reenacted and amended to read as follows:

(1) Notwithstanding the provisions of RCW 77.12.240, 77.36.020, 77.36.030, or any other provisions of law, it is unlawful to take, hunt, or attract black bear with the aid of bait.

(a) Nothing in this subsection shall be construed to prohibit the killing of black bear with the aid of bait by employees or agents of county, state, or federal agencies while acting in their official capacities for the purpose of protecting livestock, domestic animals, private property, or the public safety.

(b) Nothing in this subsection shall be construed to prevent the establishment and operation of feeding stations for black bear in order to prevent damage to commercial timberland.

(c) Nothing in this subsection shall be construed to prohibit the director from issuing a permit or memorandum of understanding to a public agency, university, or scientific or educational institution for the use of bait to attract black bear for scientific purposes.

(d) As used in this subsection, "bait" means a substance placed, exposed, deposited, distributed, scattered, or otherwise used for the purpose of attracting black bears to an area where one or more persons hunt or intend to hunt them.

(2) Notwithstanding RCW 77.12.240, 77.36.020, 77.36.030, or any other provisions of law, it is unlawful to hunt or pursue black bear, cougar, bobcat, or lynx with the aid of a dog or dogs.

(a) Nothing in this subsection shall be construed to prohibit the killing of black bear, cougar, bobcat, or lynx with the aid of a dog or dogs by employees or agents of county, state, or federal agencies while acting in their official capacities for the purpose of protecting livestock, domestic animals, private property, or the public safety. A dog or dogs may be used by the owner or tenant of real property consistent with a permit issued and conditioned by the director.

(b) Nothing in this subsection shall be construed to prohibit the director from issuing a permit or memorandum of understanding to a public agency, university, or scientific or educational institution for the use of a dog or dogs for the pursuit, capture and relocation, of black bear, cougar, bobcat, or lynx for scientific purposes.

(c) Nothing in this subsection shall be construed to prohibit the director from issuing a permit or memorandum of understanding to a public agency, university, or scientific or educational institution for the use of a dog or dogs for the killing of black bear, cougar, or bobcat, for the protection of a state and/or federally listed threatened or endangered species.

(3) Notwithstanding subsection (2) of this section, the commission shall authorize the use of dogs only in selected areas within a game management unit to address a public safety need presented by one or more cougar. This authority may only be exercised after the commission has determined that no other practical alternative to the use of dogs exists, and after the commission has adopted rules describing the conditions in which dogs may be used. Conditions that may warrant the use of dogs within a game management unit include, but are not limited to, confirmed cougar/human safety incidents, confirmed cougar/livestock and cougar/pet depredations, and the number of cougar capture attempts and relocations.

(4) A person who violates subsection (1) or (2) of this section is guilty of a gross misdemeanor. In addition to appropriate criminal penalties, the ~~((director))~~ department shall revoke the hunting license of a person who violates subsection (1) or (2) of this section and ~~((a hunting license shall not be issued))~~ order the suspension of wildlife hunting privileges for a period of five years following the revocation. Following a subsequent violation of subsection (1) or (2) of this section by the same person, a hunting license shall not be issued to the person at any time.

Sec. 32. RCW 77.15.250 and 1998 c 190 s 31 are each amended to read as follows:

(1)(a) A person is guilty of unlawfully releasing, planting, or placing fish, shellfish, or wildlife if the person knowingly releases, plants, or places live fish, shellfish, wildlife, or aquatic plants within the state, ~~((except for))~~ and the fish, shellfish, or wildlife have not been classified as deleterious wildlife. This subsection does not apply to a release of game fish into private waters for which a game fish stocking permit has been obtained, or the planting of ~~((food))~~ fish or shellfish by permit of the commission.

(b) A violation of this subsection is a gross misdemeanor. In addition, the department shall order the person to pay all costs the department incurred in capturing, killing, or controlling the fish, shellfish, aquatic plants, or wildlife released or its progeny. This does not affect the existing authority of the department to bring a separate civil action to recover costs of capturing, killing, controlling the fish, shellfish, aquatic plants, or wildlife released or their progeny, or restoration of habitat necessitated by the unlawful release.

(2)(a) A person is guilty of unlawful release of deleterious exotic wildlife if the person knowingly releases, plants, or places live fish, shellfish, or wildlife within the state and such fish, shellfish, or wildlife has been classified as deleterious exotic wildlife by rule of the commission.

(b) A violation of this subsection is a class C felony. In addition, the department shall also order the person to pay all costs the department incurred in capturing, killing, or controlling the fish, shellfish, or wildlife released or its progeny. This does not affect the existing authority of the department to bring a separate civil action to recover costs of capturing, killing, controlling the fish, shellfish, or wildlife released or their progeny, or restoration of habitat necessitated by the unlawful release.

Sec. 33. RCW 77.15.260 and 1998 c 190 s 42 are each amended to read as follows:

(1) A person is guilty of unlawful trafficking in fish, shellfish, or wildlife in the second degree if the person traffics in fish, shellfish, or wildlife with a wholesale value of less than two hundred fifty dollars and:

(a) The fish or wildlife is classified as game, food fish, shellfish, game fish, or protected wildlife and the trafficking is not authorized by statute or rule of the department; or

(b) The fish, shellfish, or wildlife is unclassified and the trafficking violates any rule of the department.

(2) A person is guilty of unlawful trafficking in fish, shellfish, or wildlife in the first degree if the person commits the act described by subsection (1) of this section and:

(a) The fish, shellfish, or wildlife has a value of two hundred fifty dollars or more; or

(b) The fish, shellfish, or wildlife is designated as an endangered species or deleterious exotic wildlife and such trafficking is not authorized by any statute or rule of the department.

(3)(a) Unlawful trafficking in fish, shellfish, or wildlife in the second degree is a gross misdemeanor.

(b) Unlawful trafficking in fish, shellfish, or wildlife in the first degree is a class C felony.

Sec. 34. RCW 77.15.270 and 1998 c 190 s 46 are each amended to read as follows:

(1) A person is guilty of providing false information regarding fish, shellfish, or wildlife if the person knowingly provides false or misleading information required by any statute or rule to be provided to the department regarding the taking, delivery, possession, transportation, sale, transfer, or any other use of fish, shellfish, or wildlife.

(2) Providing false information regarding fish, shellfish, or wildlife is a gross misdemeanor.

Sec. 35. RCW 77.15.290 and 1998 c 190 s 48 are each amended to read as follows:

(1) A person is guilty of unlawful transportation of fish or wildlife in the second degree if the person:

(a) Knowingly imports, moves within the state, or exports fish, shellfish, or wildlife in violation of any rule of the commission or the director governing the transportation or movement of fish, shellfish, or wildlife and the transportation does not involve big game, endangered fish or wildlife, deleterious exotic wildlife, or fish, shellfish, or wildlife having a value greater than two hundred fifty dollars; or

(b) Possesses but fails to affix or notch a big game transport tag as required by rule of the commission or director.

(2) A person is guilty of unlawful transportation of fish or wildlife in the first degree if the person:

(a) Knowingly imports, moves within the state, or exports fish, shellfish, or wildlife in violation of any rule of the commission or the director governing the transportation or movement of fish, shellfish, or wildlife and the transportation involves big game, endangered fish or wildlife, deleterious exotic wildlife, or fish, shellfish, or wildlife with a value of two hundred fifty dollars or more; or

(b) Knowingly transports shellfish, shellstock, or equipment used in commercial culturing, taking, handling, or processing shellfish without a permit required by authority of this title.

(3)(a) Unlawful transportation of fish or wildlife in the second degree is a misdemeanor.

(b) Unlawful transportation of fish or wildlife in the first degree is a gross misdemeanor.

Sec. 36. RCW 77.15.330 and 1998 c 190 s 56 are each amended to read as follows:

(1) A person is guilty of unlawfully holding a hunting or fishing contest if the person:

(a) Conducts, holds, or sponsors a hunting contest, a fishing contest involving game fish, or a competitive field trial using live wildlife without the permit required by RCW (~~77.32.211~~) 77.65.480; or

(b) Violates any rule of the commission or the director applicable to a hunting contest, fishing contest involving game fish, or a competitive field trial using live wildlife.

(2) Unlawfully holding a hunting or fishing contest is a misdemeanor.

Sec. 37. RCW 77.15.340 and 1998 c 190 s 57 are each amended to read as follows:

(1) A person is guilty of unlawful operation of a game farm if the person (a) operates a game farm without the license required by RCW (~~77.32.211~~) 77.65.480; or (b) violates any rule of the commission or the director applicable to game farms under RCW 77.12.570, 77.12.580, and 77.12.590.

(2) Unlawful operation of a game farm is a gross misdemeanor.

Sec. 38. RCW 77.15.370 and 1998 c 190 s 19 are each amended to read as follows:

(1) A person is guilty of unlawful recreational fishing in the first degree if:

(a) The person takes, possesses, or retains two times or more than the bag limit or possession limit of fish or shellfish allowed by any rule of the director or commission setting the amount of food fish, game fish, or shellfish that can be taken, possessed, or retained for noncommercial use;

(b) The person fishes in a fishway; or

(c) The person shoots, gaffs, snags, snares, spears, dipnets, or stones fish or shellfish in state waters, or possesses fish or shellfish taken by such means, unless such means are authorized by express rule of the commission or director.

(2) Unlawful recreational fishing in the first degree is a gross misdemeanor.

Sec. 39. RCW 77.15.380 and 2000 c 107 s 244 are each amended to read as follows:

(1) A person is guilty of unlawful recreational fishing in the second degree if the person fishes for, takes, possesses, or harvests fish or shellfish and:

(a) The person does not have and possess the license or the catch record card required by chapter ~~((75.25 or))~~ 77.32 RCW for such activity; or

(b) The action violates any rule of the commission or the director regarding seasons, bag or possession limits but less than two times the bag or possession limit, closed areas, closed times, or any other rule addressing the manner or method of fishing or possession of fish, except for use of a net to take fish as provided for in RCW 77.15.580.

(2) Unlawful recreational fishing in the second degree is a misdemeanor.

Sec. 40. RCW 77.15.390 and 2000 c 107 s 245 are each amended to read as follows:

(1) A person is guilty of unlawful taking of seaweed if the person takes, possesses, or harvests seaweed and:

(a) The person does not have and possess the license required by chapter ~~((75.25))~~ 77.32 RCW for taking seaweed; or

(b) The action violates any rule of the department or the department of natural resources regarding seasons, possession limits, closed areas, closed times, or any other rule addressing the manner or method of taking, possessing, or harvesting of seaweed.

(2) Unlawful taking of seaweed is a misdemeanor. This does not affect rights of the state to recover civilly for trespass, conversion, or theft of state-owned valuable materials.

Sec. 41. RCW 77.15.400 and 1999 c 258 s 2 are each amended to read as follows:

(1) A person is guilty of unlawful hunting of wild birds in the second degree if the person:

(a) Hunts for, takes, or possesses a wild bird and the person does not have and possess all licenses, tags, stamps, and permits required under this title;

(b) Maliciously destroys, takes, or harms the eggs or nests of a ((game{wild})) wild bird except when authorized by permit;

(c) Violates any rule of the commission or director regarding seasons, bag or possession limits but less than two times the bag or possession limit, closed areas, closed times, or other rule addressing the manner or method of hunting or possession of wild birds; or

(d) Possesses a wild bird taken during a closed season for that wild bird or taken from a closed area for that wild bird.

(2) A person is guilty of unlawful hunting of wild birds in the first degree if the person takes or possesses two times or more than the possession or bag limit for ((game{wild})) wild birds allowed by rule of the commission or director.

(3)(a) Unlawful hunting of wild birds in the second degree is a misdemeanor.

(b) Unlawful hunting of wild birds in the first degree is a gross misdemeanor.

Sec. 42. RCW 77.15.480 and 2000 c 107 s 247 are each amended to read as follows:

Articles or devices unlawfully used, possessed, or maintained for catching, taking, killing, attracting, or decoying wildlife, fish, and shellfish are public nuisances. If necessary, fish and wildlife officers and ex officio fish and wildlife officers may seize, abate, or destroy these public nuisances without warrant or process.

Sec. 43. RCW 77.15.510 and 1998 c 190 s 36 are each amended to read as follows:

(1) A person is guilty of commercial fish guiding or chartering without a license if:

(a) The person operates a charter boat and does not hold the charter boat license required for the food fish taken;

(b) The person acts as a professional salmon guide and does not hold a professional salmon guide license; or

(c) The person acts as a game fish guide and does not hold a ((professional)) game fish guide license.

(2) Commercial fish guiding or chartering without a license is a gross misdemeanor.

Sec. 44. RCW 77.15.550 and 1999 c 258 s 10 are each amended to read as follows:

(1) A person is guilty of violating commercial fishing area or time in the second degree if the person acts for commercial purposes and takes, fishes for, possesses, delivers, or receives ((food)) fish or shellfish:

(a) At a time not authorized by statute or rule;

(b) From an area that was closed to the taking of such ((food)) fish or shellfish for commercial purposes by statute or rule; or

(c) If such fish or shellfish do not conform to the special restrictions or physical descriptions established by rule of the department.

(2) A person is guilty of violating commercial fishing area or time in the first degree if the person commits the act described by subsection (1) of this section and:

(a) The person acted with knowledge that the area or time was not open to the taking or fishing of (~~food~~) fish or shellfish for commercial purposes; and

(b) The violation involved two hundred fifty dollars or more worth of (~~food~~) fish or shellfish.

(3)(a) Violating commercial fishing area or time in the second degree is a gross misdemeanor.

(b) Violating commercial fishing area or time in the first degree is a class C felony.

Sec. 45. RCW 77.15.600 and 1999 c 258 s 8 are each amended to read as follows:

(1) A person is guilty of engaging in commercial wildlife activity without a license if the person:

(a) Deals in raw furs for commercial purposes and does not hold a fur dealer license required by chapter (~~77.32~~) 77.65 RCW; or

(b) Practices taxidermy for commercial purposes and does not hold a taxidermy license required by chapter (~~77.32~~) 77.65 RCW.

(2) Engaging in commercial wildlife activities without a license is a gross misdemeanor.

Sec. 46. RCW 77.15.700 and 1998 c 190 s 66 are each amended to read as follows:

The department shall impose revocation and suspension of privileges upon conviction in the following circumstances:

(1) If directed by statute for an offense;

(2) If the department finds that actions of the defendant demonstrated a willful or wanton disregard for conservation of fish or wildlife. Such suspension of privileges may be permanent;

(3) If a person is convicted twice within ten years for a violation involving unlawful hunting, killing, or possessing big game, the department shall order revocation and suspension of all hunting privileges for two years. RCW (~~77.16.020~~) 77.12.722 or 77.16.050 as it existed before June 11, 1998, may comprise one of the convictions constituting the basis for revocation and suspension under this subsection;

(4) If a person is convicted three times in ten years of any violation of recreational hunting or fishing laws or rules, the department shall order a revocation and suspension of all recreational hunting and fishing privileges for two years;

(5) If a person is convicted twice within five years of a gross misdemeanor or felony involving unlawful commercial fish or shellfish harvesting, buying, or

selling, the department shall impose a revocation and suspension of the person's commercial fishing privileges for one year. A commercial fishery license (~~suspended~~) revoked under this subsection may not be used by an alternate operator or transferred during the period of suspension.

Sec. 47. RCW 77.15.730 and 1994 c 264 s 45 are each amended to read as follows:

(1) Upon receipt of a report of failure to comply with the terms of a citation issued for a recreational violation from the licensing authority of a state that is a party to the wildlife violator compact under RCW (~~77.17.010~~) 77.75.070, the department shall suspend the violator's recreational license privileges under this title until (~~there is~~) there is satisfactory evidence of compliance with the terms of the wildlife citation. The department shall adopt by rule procedures for the timely notification and administrative review of such suspension of recreational licensing privileges.

(2) Upon receipt of a report of a conviction for a recreational offense from the licensing authority of a state that is a party to the wildlife violator compact under RCW (~~77.17.010~~) 77.75.070, the department shall enter such conviction in its records and shall treat such conviction as if it occurred in the state of Washington for the purposes of suspension, revocation, or forfeiture of recreational license privileges.

Sec. 48. RCW 77.16.220 and 1998 c 190 s 122 are each amended to read as follows:

A person shall not divert water from a lake, river, or stream containing game fish unless the water diversion device is equipped at or near its intake with a fish guard or screen to prevent the passage of game fish into the device and, if necessary, with a means of returning game fish from immediately in front of the fish guard or screen to the waters of origin. A person who (~~is now~~) was, on June 11, 1947, otherwise lawfully diverting water from a lake, river, or stream shall not be deemed guilty of a violation of this section.

Plans for the fish guard, screen, and bypass shall be approved by the director prior to construction. The installation shall be approved by the director prior to the diversion of water.

The director may close a water diversion device operated in violation of this section and keep it closed until it is properly equipped with a fish guard, screen, or bypass.

Sec. 49. RCW 77.32.010 and 2000 c 107 s 264 are each amended to read as follows:

(1) Except as otherwise provided in this chapter, a recreational license issued by the director is required to(~~:~~
~~(a))~~ hunt for or take wild animals(~~(, except bullfrogs;))~~ or wild birds, fish for, take, or harvest fish, shellfish, and seaweed(~~(, except smelt, albacore, carp, and crawfish;~~

- ~~—(b) Practice taxidermy for profit;~~
- ~~—(c) Deal in raw furs for profit;~~
- ~~—(d) Act as a fishing guide;~~
- ~~—(e) Operate a game farm;~~
- ~~—(f) Purchase or sell anadromous game fish; or~~
- ~~—(g) Use department-managed lands or facilities as provided by rules adopted pursuant to this title).~~ A recreational fishing or shellfish license is not required for carp, smelt, albacore, and crawfish, and a hunting license is not required for bullfrogs.

(2) A permit issued by the ~~((director))~~ department is required to((:

- ~~—(a) Conduct, hold, or sponsor hunting or game fish fishing contests or competitive field trials using live wildlife;~~
- ~~—(b) Collect wild animals, wild birds, game fish, food fish, shellfish, or protected wildlife for research or display; or~~
- ~~—(c) Stock game fish.~~

~~(3) Aquaculture as defined in RCW 15.85.020 is exempt from the requirements of this section, except when being stocked in public waters under contract with the department))~~ park a motor vehicle upon improved department access facilities.

Sec. 50. RCW 77.32.014 and 2000 c 107 s 265 are each amended to read as follows:

~~((†))~~ Licenses, tags, and stamps issued pursuant to this chapter shall be ~~((invalid))~~ revoked and the privileges suspended for any period in which a person is certified by the department of social and health services or a court of competent jurisdiction as a person in noncompliance with a support order. Fish and wildlife officers and ex officio fish and wildlife officers shall enforce this section through checks of the department of licensing's computer data base. A listing on the department of licensing's data base that an individual's license is currently suspended pursuant to RCW 46.20.291(8) shall be prima facie evidence that the individual is in noncompliance with a support order. Presentation of a written release issued by the department of social and health services stating that the person is in compliance with an order shall serve as prima facie proof of compliance with a support order.

~~((2) It is unlawful to purchase, obtain, or possess a license required by this chapter during any period in which a license is suspended:))~~

Sec. 51. RCW 77.32.250 and 2000 c 107 s 269 are each amended to read as follows:

Licenses, permits, tags, and stamps required by this chapter and raffle tickets authorized under this chapter shall not be transferred.

~~((Upon request of a fish and wildlife officer or ex officio fish and wildlife officer, persons licensed, operating under a permit, or possessing wildlife under the authority of this chapter shall produce required licenses, permits, tags, stamps, raffle tickets, or catch record cards for inspection and write their signatures for~~

~~comparison and in addition display their wildlife. Failure to comply with the request is prima facie evidence that the person has no license or is not the person named:))~~

Sec. 52. RCW 77.32.535 and 1996 c 101 s 6 are each amended to read as follows:

If a private entity has a private lands wildlife management area agreement in effect with the department, the commission may authorize the private entity to conduct raffles for access to hunt for big game animals and wild turkeys to meet the conditions of the agreement. The private entity shall comply with all applicable rules adopted under RCW ~~((77.12.770))~~ 77.32.530 for the implementation of raffles; however, raffle hunts conducted pursuant to this section shall not be counted toward the number of raffle hunts the commission may authorize under RCW ~~((77.12.770))~~ 77.32.530. The director shall establish the procedures for the hunts, which shall require any participants to obtain any required license, permit, or tag. Representatives of the department may participate in the hunt upon the request of the commission to ensure that the animals to be killed are properly identified.

Sec. 53. RCW 77.44.070 and 1991 c 253 s 4 are each amended to read as follows:

Any agency of state or federal government, political subdivision of the state, private or public utility company, corporation, or sports group, or any purchaser of fish under RCW ~~((77.18.020))~~ 77.44.060 may purchase resident game fish from an aquatic farmer for stocking purposes if permit requirements of this title and the department have been met.

S Sec. 54. RCW 77.55.280 and 1997 c 425 s 4 are each amended to read as follows:

When a private landowner is applying for hydraulic project approval under this chapter and that landowner has entered into a habitat incentives agreement with the department and the department of natural resources as provided in RCW ~~((77.12.830))~~ 77.55.300, the department shall comply with the terms of that agreement when evaluating the request for hydraulic project approval.

Sec. 55. RCW 77.55.290 and 1998 c 249 s 3 are each amended to read as follows:

(1) In order to receive the permit review and approval process created in this section, a fish habitat enhancement project must meet the criteria under (a) and (b) of this subsection:

(a) A fish habitat enhancement project must be a project to accomplish one or more of the following tasks:

(i) Elimination of human-made fish passage barriers, including culvert repair and replacement;

(ii) Restoration of an eroded or unstable stream bank employing the principle of bioengineering, including limited use of rock as a stabilization only at the toe of

the bank, and with primary emphasis on using native vegetation to control the erosive forces of flowing water; or

(iii) Placement of woody debris or other instream structures that benefit naturally reproducing fish stocks.

The department shall develop size or scale threshold tests to determine if projects accomplishing any of these tasks should be evaluated under the process created in this section or under other project review and approval processes. A project proposal shall not be reviewed under the process created in this section if the department determines that the scale of the project raises concerns regarding public health and safety; and

(b) A fish habitat enhancement project must be approved in one of the following ways:

(i) By the department pursuant to chapter (~~75.50 or 75.52~~) 77.95 or 77.100 RCW;

(ii) By the sponsor of a watershed restoration plan as provided in chapter 89.08 RCW;

(iii) By the department as a department-sponsored fish habitat enhancement or restoration project;

(iv) Through the review and approval process for the jobs for the environment program;

(v) Through the review and approval process for conservation district-sponsored projects, where the project complies with design standards established by the conservation commission through interagency agreement with the United States fish and wildlife service and the natural resource conservation service;

(vi) Through a formal grant program established by the legislature or the department for fish habitat enhancement or restoration; and

(vii) Through other formal review and approval processes established by the legislature.

(2) Fish habitat enhancement projects meeting the criteria of subsection (1) of this section are expected to result in beneficial impacts to the environment. Decisions pertaining to fish habitat enhancement projects meeting the criteria of subsection (1) of this section and being reviewed and approved according to the provisions of this section are not subject to the requirements of RCW 43.21C.030(2)(c).

(3) Hydraulic project approval is required for projects that meet the criteria of subsection (1) of this section and are being reviewed and approved under this section. An applicant shall use a joint aquatic resource permit application form developed by the department of ecology permit assistance center to apply for approval under this chapter. On the same day, the applicant shall provide copies of the completed application form to the department and to each appropriate local government. Local governments shall accept the application as notice of the proposed project. The department shall provide a fifteen-day comment period during which it will receive comments regarding environmental impacts. In no

more than forty-five days, the department shall either issue hydraulic project approval, with or without conditions, deny approval, or make a determination that the review and approval process created by this section is not appropriate for the proposed project. The department shall base this determination on identification during the comment period of adverse impacts that cannot be mitigated by hydraulic project approval. If the department determines that the review and approval process created by this section is not appropriate for the proposed project, the department shall notify the applicant and the appropriate local governments of its determination. The applicant may reapply for approval of the project under other review and approval processes.

Any person aggrieved by the approval, denial, conditioning, or modification of hydraulic project approval under this section may formally appeal the decision to the hydraulic appeals board pursuant to the provisions of this chapter.

(4) No local government may require permits or charge fees for fish habitat enhancement projects that meet the criteria of subsection (1) of this section and that are reviewed and approved according to the provisions of this section.

NEW SECTION. Sec. 56. A new section is added to chapter 77.65 RCW to read as follows:

(1) A license issued by the director is required to:

- (a) Practice taxidermy for commercial purposes;
- (b) Deal in raw furs for commercial purposes;
- (c) Act as a fishing guide;
- (d) Operate a game farm; or
- (e) Purchase or sell anadromous game fish.

(2) A permit issued by the director is required to:

(a) Conduct, hold, or sponsor hunting or fishing contests or competitive field trials using live wildlife;

(b) Collect wild animals, wild birds, game fish, food fish, shellfish, or protected wildlife for research or display;

(c) Stock game fish; or

(d) Conduct commercial activities on department-owned or controlled lands.

(3) Aquaculture as defined in RCW 15.85.020 is exempt from the requirements of this section, except when being stocked in public waters under contract with the department.

Sec. 57. RCW 77.70.010 and 1997 c 58 s 884 are each amended to read as follows:

(1) A license renewed under the provisions of this chapter that has been suspended under RCW ((~~75.28.042~~)) 77.65.080 shall be subject to the following provisions:

(a) A license renewal fee shall be paid as a condition of maintaining a current license; and

(b) The department shall waive any other license requirements, unless the department determines that the license holder has had sufficient opportunity to meet these requirements.

(2) The provisions of subsection (1) of this section shall apply only to a license that has been suspended under RCW ~~((75.28.042))~~ 77.65.080 for a period of twelve months or less. A license holder shall forfeit a license subject to this chapter and may not recover any license renewal fees previously paid if the license holder does not meet the requirements of RCW 74.20A.320(9) within twelve months of license suspension.

Sec. 58. RCW 77.70.150 and 1999 c 126 s 1 are each amended to read as follows:

(1) A sea urchin dive fishery license is required to take sea urchins for commercial purposes. A sea urchin dive fishery license authorizes the use of only one diver in the water at any time during sea urchin harvest operations. If the same vessel has been designated on two sea urchin dive fishery licenses, two divers may be in the water. A natural person may not hold more than two sea urchin dive fishery licenses.

(2) Except as provided in subsection (6) of this section, the director shall issue no new sea urchin dive fishery licenses. For licenses issued for the year 2000 and thereafter, the director shall renew existing licenses only to a natural person who held the license at the end of the previous year. If a sea urchin dive fishery license is not held by a natural person as of December 31, 1999, it is not renewable. However, if the license is not held because of revocation or suspension of licensing privileges, the director shall renew the license in the name of a natural person at the end of the revocation or suspension if the license holder applies for renewal of the license before the end of the year in which the revocation or suspension ends.

(3) Where a licensee failed to obtain the license during the previous year because of a license suspension or revocation by the ~~((department))~~ director or the court, the licensee may qualify for a license by establishing that the person held such a license during the last year in which the person was eligible.

(4) Surcharges as provided for in this section shall be collected and deposited into the sea urchin dive fishery account hereby created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. The sea urchin dive fishery account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. Expenditures from the account shall only be used to retire sea urchin licenses until the number of licenses is reduced to twenty-five, and thereafter shall only be used for sea urchin management and enforcement.

(a) A surcharge of one hundred dollars shall be charged with each sea urchin dive fishery license renewal for licenses issued in 2000 through 2005.

(b) For licenses issued for the year 2000 and thereafter, a surcharge shall be charged on the sea urchin dive fishery license for designating an alternate operator. The surcharge shall be as follows: Five hundred dollars for the first year or each

of the first two consecutive years after 1999 that any alternate operator is designated and two thousand five hundred dollars each year thereafter that any alternate operator is designated.

(5) Sea urchin dive fishery licenses are transferable. After December 31, 1999, there is a surcharge to transfer a sea urchin dive fishery license. The surcharge is five hundred dollars for the first transfer of a license valid for calendar year 2000, and two thousand five hundred dollars for any subsequent transfer, whether occurring in the year 2000 or thereafter. Notwithstanding this subsection, a one-time transfer exempt from surcharge applies for a transfer from the natural person licensed on January 1, 2000, to that person's spouse or child.

(6) If fewer than twenty-five natural persons are eligible for sea urchin dive fishery licenses, the director may accept applications for new licenses. The additional licenses may not cause more than twenty-five natural persons to be eligible for a sea urchin dive fishery license. New licenses issued under this section shall be distributed according to rules of the department that recover the value of such licensed privilege.

Sec. 59. RCW 77.70.190 and 1999 c 126 s 2 are each amended to read as follows:

(1) A sea cucumber dive fishery license is required to take sea cucumbers for commercial purposes. A sea cucumber dive fishery license authorizes the use of only one diver in the water at any time during sea cucumber harvest operations. If the same vessel has been designated on two sea cucumber dive fishery licenses, two divers may be in the water. A natural person may not hold more than two sea cucumber dive fishery licenses.

(2) Except as provided in subsection (6) of this section, the director shall issue no new sea cucumber dive fishery licenses. For licenses issued for the year 2000 and thereafter, the director shall renew existing licenses only to a natural person who held the license at the end of the previous year. If a sea cucumber dive fishery license is not held by a natural person as of December 31, 1999, it is not renewable. However, if the license is not held because of revocation or suspension of licensing privileges, the director shall renew the license in the name of a natural person at the end of the revocation or suspension if the license holder applies for renewal of the license before the end of the year in which the revocation or suspension ends.

(3) Where a licensee failed to obtain the license during either of the previous two years because of a license suspension by the ~~((department))~~ director or the court, the licensee may qualify for a license by establishing that the person held such a license during the last year in which the person was eligible.

(4) Surcharges as provided for in this section shall be collected and deposited into the sea cucumber dive fishery account hereby created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. The sea cucumber dive fishery account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. Expenditures from the account shall only be used to retire sea

cucumber licenses until the number of licenses is reduced to twenty-five, and thereafter shall only be used for sea cucumber management and enforcement. .

(a) A surcharge of one hundred dollars shall be charged with each sea cucumber dive fishery license renewal for licenses issued in 2000 through 2005.

(b) For licenses issued for the year 2000 and thereafter, a surcharge shall be charged on the sea cucumber dive fishery ~~((license))~~ license for designating an alternate operator. The surcharge shall be as follows: Five hundred dollars for the first year or each of the first two consecutive years after 1999 that any alternate operator is designated and two thousand five hundred dollars each year thereafter that any alternate operator is designated.

(5) Sea cucumber dive fishery licenses are transferable. After December 31, 1999, there is a surcharge to transfer a sea cucumber dive fishery license. The surcharge is five hundred dollars for the first transfer of a license valid for calendar year 2000 and two thousand five hundred dollars for any subsequent transfer whether occurring in the year 2000 or thereafter. Notwithstanding this subsection, a one-time transfer exempt from surcharge applies for a transfer from the natural person licensed on January 1, 2000, to that person's spouse or child.

(6) If fewer than twenty-five persons are eligible for sea cucumber dive fishery licenses, the director may accept applications for new licenses. The additional licenses may not cause more than twenty-five natural persons to be eligible for a sea cucumber dive fishery license. New licenses issued under this section shall be distributed according to rules of the department that recover the value of such licensed privilege.

Sec. 60. RCW 79A.60.100 and 1994 c 264 s 80 are each amended to read as follows:

(1) Every law enforcement officer of this state and its political subdivisions has the authority to enforce this chapter. Law enforcement officers may enforce recreational boating rules adopted by the commission. Such law enforcement officers include, but are not limited to, county sheriffs, officers of other local law enforcement entities, ~~((wildlife agents and fisheries patrol))~~ fish and wildlife officers ~~((of the department of fish and wildlife))~~, through the director, the state patrol, ~~((through its chief))~~ and state park rangers. In the exercise of this responsibility, all such officers may stop and board any vessel and direct it to a suitable pier or anchorage to enforce this chapter.

(2) This chapter shall be construed to supplement federal laws and regulations. To the extent this chapter is inconsistent with federal laws and regulations, the federal laws and regulations shall control.

NEW SECTION. **Sec. 61.** (1) RCW 77.12.055 and 77.65.470 are each recodified as sections in chapter 77.15 RCW.

(2) RCW 77.12.425 and 77.16.220 are each recodified as sections in chapter 77.55 RCW.

(3) RCW 77.32.220 is recodified as a section in chapter 77.65 RCW.

NEW SECTION. Sec. 62. The following acts or parts of acts are each repealed:

- (1) RCW 77.12.030 (Authority to regulate wildlife) and 1987 c 506 s 14, 1984 c 240 s 2, 1980 c 78 s 14, 1969 ex.s. c 18 s 2, & 1955 c 36 s 77.12.030;
- (2) RCW 77.12.040 (Regulating the taking or possessing of game—Emergency rules—Game reserves, closed areas and waters) and 1987 c 506 s 15, 1984 c 240 s 3, 1980 c 78 s 15, 1969 ex.s. c 18 s 3, & 1955 c 36 s 77.12.040;
- (3) RCW 77.12.105 (Authority to retain or transfer wildlife) and 1987 c 506 s 22, 1980 c 78 s 71, 1977 c 44 s 2, & 1955 c 36 s 77.16.030;
- (4) RCW 77.12.250 (Entry upon property in course of duty) and 2000 c 107 s 220, 1980 c 78 s 42, & 1955 c 36 s 77.12.250;
- (5) RCW 77.12.295 (Fish and wildlife harvest in federal exclusive economic zone—Rules) and 1995 1st sp.s. c 2 s 9 & 1993 sp.s. c 2 s 99;
- (6) RCW 77.12.457 (Planting food fish or shellfish—Permit authorized by rule) and 1998 c 190 s 73, 1995 1st sp.s. c 2 s 17, 1983 1st ex.s. c 46 s 30, & 1955 c 12 s 75.16.020;
- (7) RCW 77.12.724 (Possession of fish and wildlife—Rules) and 1998 c 190 s 120, 1987 c 506 s 63, & 1980 c 78 s 78; and
- (8) RCW 77.32.420 (Recreational licenses—Nontransferable—Enforcement provisions) and 2000 c 107 s 272, 1998 c 191 s 4, 1993 sp.s. c 17 s 8, 1989 c 305 s 12, 1987 c 87 s 7, 1984 c 80 s 8, 1983 1st ex.s. c 46 s 98, 1980 c 78 s 135, & 1977 ex.s. c 327 s 15.

Passed the Senate April 17, 2001.

Passed the House April 6, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 254

[Substitute Senate Bill 5986]

COUNTY OR LOCAL GOVERNMENT-OWNED PSYCHIATRIC FACILITIES

AN ACT Relating to regulation of county or local government-owned psychiatric facilities; and amending RCW 71.12.455 and 71.12.460.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 71.12.455 and 2000 c 93 s 21 are each amended to read as follows:

As used in this chapter, "establishment" and "institution" mean and include every private or county or municipal hospital, including public hospital districts, sanitarium, home, or other place receiving or caring for any mentally ill, mentally incompetent person, or chemically dependent person.

Sec. 2. RCW 71.12.460 and 2000 c 93 s 22 are each amended to read as follows:

No person, association, ~~county, municipality, public hospital district,~~ or corporation, shall establish or keep, for compensation or hire, an establishment as defined in this chapter without first having obtained a license therefor from the department of health, complied with rules adopted under this chapter, and paid the license fee provided in this chapter. Any person who carries on, conducts, or attempts to carry on or conduct an establishment as defined in this chapter without first having obtained a license from the department of health, as in this chapter provided, is guilty of a misdemeanor and on conviction thereof shall be punished by imprisonment in a county jail not exceeding six months, or by a fine not exceeding one thousand dollars, or by both such fine and imprisonment. The managing and executive officers of any corporation violating the provisions of this chapter shall be liable under the provisions of this chapter in the same manner and to the same effect as a private individual violating the same.

Passed the Senate April 18, 2001.

Passed the House April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 255

[Substitute Senate Bill 6055]

FOSTER CARE—EVALUATION OF CHILDREN

AN ACT Relating to evaluating children within the foster care agency caseload; and amending RCW 74.14A.050.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.14A.050 and 2000 c 232 s 1 are each amended to read as follows:

The secretary shall:

(1)(a) Consult with relevant qualified professionals to develop a set of minimum guidelines to be used for identifying all children who are in a state-assisted support system, whether at-home or out-of-home, who are likely to need long-term care or assistance, because they face physical, emotional, medical, mental, or other long-term challenges;

(b) The guidelines must, at a minimum, consider the following criteria for identifying children in need of long-term care or assistance:

(i) Placement within the foster care system for two years or more;

(ii) Multiple foster care placements;

(iii) Repeated unsuccessful efforts to be placed with a permanent adoptive family;

(iv) Chronic behavioral or educational problems;

(v) Repetitive criminal acts or offenses;

(vi) Failure to comply with court-ordered disciplinary actions and other imposed guidelines of behavior, including drug and alcohol rehabilitation; and

(vii) Chronic physical, emotional, medical, mental, or other similar conditions necessitating long-term care or assistance;

(2) Develop programs that are necessary for the long-term care of children and youth that are identified for the purposes of this section. Programs must: (a) Effectively address the educational, physical, emotional, mental, and medical needs of children and youth; and (b) incorporate an array of family support options, to individual needs and choices of the child and family. The programs must be ready for implementation by January 1, 1995;

(3) Conduct an evaluation of all children currently within the foster care agency caseload to identify those children who meet the criteria set forth in this section. ~~((The evaluation shall be completed by January 1, 1994.))~~ All children entering the foster care system ~~((after January 1, 1994.))~~ must be evaluated for identification of long-term needs within thirty days of placement;

(4) As a result of the passage of chapter 232, Laws of 2000, the department is conducting a pilot project to do a comparative analysis of a variety of assessment instruments to determine the most effective tools and methods for evaluation of children. The pilot project may extend through August 31, 2001. The department shall report to the appropriate committees in the senate and house of representatives by September 30, 2001, on the results of the pilot project. The department shall select an assessment instrument that can be implemented within available resources. The department shall complete statewide implementation by December 31, 2001. The department shall report to the appropriate committees in the senate and house of representatives on how the use of the selected assessment instrument has affected department policies, by no later than December 31, 2002, December 31, 2004, and December 31, 2006;

(5) Use the assessment tool developed pursuant to subsection (4) of this section in making out-of-home placement decisions for children;

(6) By region, report to the legislature on the following using aggregate data every six months beginning December 31, 2000:

(a) The number of children evaluated during the first thirty days of placement as required in subsection (3) of this section;

(b) The tool or tools used to evaluate children, including the content of the tool and the method by which the tool was validated;

(c) The findings from the evaluation regarding the children's needs;

(d) How the department used the results of the evaluation to provide services to the foster child to meet his or her needs; and

(e) Whether and how the evaluation results assisted the department in providing appropriate services to the child, matching the child with an appropriate care provider early on in the child's placement and achieving the child's permanency plan in a timely fashion((-);

~~((5))~~ (7) Each region of the department shall make the appropriate number of referrals to the foster care assessment program to ensure that the services offered by the program are used to the extent funded pursuant to the department's contract

with the program. The department shall report to the legislature by November 30, 2000, on the number of referrals, by region, to the foster care assessment program. If the regions are not referring an adequate number of cases to the program, the department shall include in its report an explanation of what action it is or has taken to ensure that the referrals are adequate(-);

~~((6))~~ (8) The department shall report to the legislature by December 15, 2000, on how it will use the foster care assessment program model to assess children as they enter out-of-home care(-);

~~((7))~~ (9) The department is to accomplish the tasks listed in subsections (4) through ~~((6))~~ (8) of this section within existing resources(-);

~~((8))~~ (10) Study and develop a comprehensive plan for the evaluation and identification of all children and youth in need of long-term care or assistance, including, but not limited to, the mentally ill, developmentally disabled, medically fragile, seriously emotionally or behaviorally disabled, and physically impaired;

~~((9))~~ (11) Study and develop a plan for the children and youth in need of long-term care or assistance to ensure the coordination of services between the department's divisions and between other state agencies who are involved with the child or youth;

~~((10))~~ (12) Study and develop guidelines for transitional services, between long-term care programs, based on the person's age or mental, physical, emotional, or medical condition; and

~~((11))~~ (13) Study and develop a statutory proposal for the emancipation of minors.

Passed the Senate April 17, 2001.

Passed the House April 4, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 256

[Substitute Senate Bill 6056]

CHILD DEPENDENCY CASES—COORDINATION OF SERVICES

AN ACT Relating to the department of social and health services coordination of services for children and families in child dependency cases; adding a new section to chapter 13.34 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The department of social and health services serves parents and children with multiple needs, which cannot be resolved in isolation. Further, the complexity of service delivery systems is a barrier for families in crisis when a child is removed or a parent is removed from the home. The department must undertake efforts to streamline the delivery of services.

NEW SECTION. Sec. 2. A new section is added to chapter 13.34 RCW to read as follows:

The department of social and health services shall develop methods for coordination of services to parents and children in child dependency cases. To the maximum extent possible under current funding levels, the department must:

- (1) Coordinate and integrate services to children and families, using service plans and activities that address the children's and families' multiple needs. Assessment criteria should screen for multiple needs;
- (2) Develop treatment plans for the individual needs of the client in a manner that minimizes the number of contacts the client is required to make; and
- (3) Access training for department staff to increase skills across disciplines to assess needs for mental health, substance abuse, developmental disabilities, and other areas.

Passed the Senate April 17, 2001.

Passed the House April 5, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 257

[Substitute House Bill 1365]

INFANT AND CHILDREN PRODUCT SAFETY CAMPAIGN

AN ACT Relating to recalled infant and child products; adding a new section to chapter 43.70 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that infants and children in Washington are injured, sometimes fatally, by unsafe consumer products designed for use by infants and children.

(2) The legislature finds that parents and other persons responsible for the care of infants and children are often unaware that some of these consumer products have been recalled or are unsafe.

(3) The legislature intends to address this lack of awareness by establishing a statewide infant and children product safety campaign across Washington state.

NEW SECTION. Sec. 2. A new section is added to chapter 43.70 RCW to read as follows:

(1) The legislature authorizes the secretary to establish and maintain a product safety education campaign to promote greater awareness of products designed to be used by infants and children, excluding toys, that:

- (a) Are recalled by the United States consumer products safety commission;
- (b) Do not meet federal safety regulations and voluntary safety standards; or
- (c) Are unsafe or illegal to place into the stream of commerce under the infant crib safety act, chapter 70.111 RCW.

(2) The department shall make reasonable efforts to ensure that this infant and children product safety education campaign reaches the target population. The target population for this campaign includes, but is not limited to, parents, foster

parents and other caregivers, child care providers, consignment and resale stores selling infant and child products, and charitable and governmental entities serving infants, children, and families.

(3) The secretary may utilize a combination of methods to achieve this outreach and education goal, including but not limited to print and electronic media. The secretary may operate the campaign or may contract with a vendor.

(4) The department shall coordinate this infant and children product safety education campaign with child-serving entities including, but not limited to, hospitals, birthing centers, midwives, pediatricians, obstetricians, family practice physicians, governmental and private entities serving infants, children, and families, and relevant manufacturers.

(5) The department shall coordinate with other agencies and entities to eliminate duplication of effort in disseminating infant and children consumer product safety information.

(6) The department may receive funding for this infant and children product safety education effort from federal, state, and local governmental entities, child-serving foundations, or other private sources.

Passed the House April 16, 2001.

Passed the Senate April 6, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 258

[Substitute House Bill 1119]

TAXATION—MOTOR VEHICLES

AN ACT Relating to the business and occupation taxation of sales of new and used motor vehicles; adding new sections to chapter 82.04 RCW; prescribing penalties; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 82.04 RCW to read as follows:

(1) This chapter does not apply to amounts received by a motor vehicle dealer licensed under chapter 46.70 RCW, or a dealer licensed by any other state, for the wholesale sale of used motor vehicles at auctions to licensed dealers.

(2) This chapter does not apply to amounts derived by a new car dealer from wholesale sales of new motor vehicles of the same make to other new car dealers where the sales enable the dealers to adjust their inventory levels as long as the amount paid by the purchasing dealer does not exceed the amount paid by the selling dealer in the acquisition of the vehicle, however, the selling dealer may add reasonable expenses for the preparation of the vehicle for sale or transfer.

NEW SECTION. Sec. 2. A new section is added to chapter 82.04 RCW to read as follows:

(1) In the payment of the tax imposed by this chapter on new motor vehicles sold to Washington customers that are delivered to the customer through courtesy dealers located in this state, the courtesy dealer is deemed to be the agent for the selling dealer in reporting and paying the tax imposed by this chapter, unless the selling dealer is already registered and reporting and remitting taxes under this chapter. It is the duty of each courtesy dealer to pay the tax imposed by this chapter to the department when the courtesy dealer files its tax return. Each courtesy dealer who acts as the agent for the selling dealer in reporting, paying, and remitting the tax imposed by this chapter must at the time of paying and remitting its own taxes imposed by this chapter pay the tax due on the transaction under this section.

(2) The tax paid by the courtesy dealer on behalf of the selling dealer shall constitute a debt from the selling dealer to the courtesy dealer, and the courtesy dealer is authorized to withhold payment to the selling dealer out of the proceeds of the sale an amount equal to the tax imposed by this chapter. Amounts withheld by the courtesy dealer are deemed to be held in trust by the courtesy dealer until paid to the department, and any courtesy dealer who appropriates or converts the amount withheld to the courtesy dealer's own use or to any use other than the payment of the tax to the extent that the money withheld is not available for payment on the due date is guilty of a gross misdemeanor.

(3) This section is construed as cumulative of other methods prescribed in chapters 82.04 through 82.32 RCW, inclusive, for the collection of the tax imposed by this chapter.

(4) As used in this section, "courtesy dealer" means any licensed new motor vehicle dealer authorized to prepare or deliver a new motor vehicle to a customer in this state. "Selling dealer" means a motor vehicle dealer not licensed to prepare or deliver a new motor vehicle to a customer in this state.

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 July 1, 2001.

Passed the House March 13, 2001.

Passed the Senate April 9, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 259

[Substitute House Bill 1391]

STATUTORY COMMITTEES OF THE LEGISLATURE

AN ACT Relating to statutory committees of the legislature; amending RCW 44.28.060, 44.28.065, 44.40.015, 44.40.040, 44.40.090, 44.40.100, 44.44.030, 44.48.050, 44.48.090, 44.48.120, 44.68.040, and 44.68.050; adding a new section to chapter 44.04 RCW; adding a new section to chapter 44.28 RCW; adding a new section to chapter 44.40 RCW; adding a new section to chapter 44.44 RCW; adding a new section to chapter 44.48 RCW; and adding a new section to chapter 44.68 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 44.04 RCW to read as follows:

The joint legislative audit and review committee, the legislative transportation committee, the joint committee on pension policy, the legislative evaluation and accountability program committee, and the joint legislative systems committee are subject to such operational policies, procedures, and oversight as are deemed necessary by the facilities and operations committee of the senate and the executive rules committee of the house of representatives to ensure operational adequacy of the agencies of the legislative branch. As used in this section, "operational policies, procedures, and oversight" includes the development process of biennial budgets, contracting procedures, personnel policies, and compensation plans, selection of a chief administrator, facilities, and expenditures. This section does not grant oversight authority to the facilities and operations committee of the senate over any standing committee of the house of representatives or oversight authority to the executive rules committee of the house of representatives over any standing committee of the senate.

NEW SECTION. Sec. 2. A new section is added to chapter 44.28 RCW to read as follows:

The administration of the joint legislative audit and review committee is subject to section 1 of this act.

Sec. 3. RCW 44.28.060 and 1996 c 288 s 7 are each amended to read as follows:

The members of the joint committee shall form an executive committee consisting of one member from each of the four major political caucuses, which shall include a chair and a vice-chair. The chair and vice-chair shall serve for a period not to exceed two years. The chair and the vice-chair may not be members of the same political party. The chair shall alternate between the members of the majority parties in the senate and the house of representatives.

Subject to section 1 of this act, the executive committee is responsible for performing all general administrative and personnel duties assigned to it in the rules and procedures adopted by the joint committee, as well as other duties delegated to it by the joint committee. The executive committee shall recommend applicants for the position of the legislative auditor to the membership of the joint committee. The legislative auditor shall be hired with the approval of a majority of the membership of the joint committee. Subject to section 1 of this act, the executive committee shall set the salary of the legislative auditor.

The joint committee shall adopt rules and procedures for its orderly operation. The joint committee may create subcommittees to perform duties under this chapter.

Sec. 4. RCW 44.28.065 and 1996 c 288 s 8 are each amended to read as follows:

The legislative auditor shall:

(1) Establish and manage the office of the joint legislative audit and review committee to carry out the functions of this chapter;

(2) Direct the audit and review functions described in this chapter and ensure that performance audits are performed in accordance with the "Government Auditing Standards" published by the comptroller general of the United States as applicable to the scope of the audit;

(3) Make findings and recommendations to the joint committee and under its direction to the committees of the state legislature concerning the organization and operation of state agencies and the expenditure of state funds by units of local government;

(4) ~~Subject to section 1 of this act,~~ in consultation with and with the approval of the executive committee, hire staff necessary to carry out the purposes of this chapter. ~~Subject to section 1 of this act,~~ employee salaries, other than the legislative auditor, shall be set by the legislative auditor with the approval of the executive committee;

(5) Assist the several standing committees of the house and senate in consideration of legislation affecting state departments and their efficiency; appear before other legislative committees; and assist any other legislative committee upon instruction by the joint legislative audit and review committee;

(6) Provide the legislature with information obtained under the direction of the joint legislative audit and review committee;

(7) Maintain a record of all work performed by the legislative auditor under the direction of the joint legislative audit and review committee and keep and make available all documents, data, and reports submitted to the legislative auditor by any legislative committee.

NEW SECTION. Sec. 5. A new section is added to chapter 44.40 RCW to read as follows:

The administration of the legislative transportation committee is subject to section 1 of this act.

Sec. 6. RCW 44.40.015 and 1999 sp.s. c 1 s 617 are each amended to read as follows:

The members of the legislative transportation committee shall form an executive committee consisting of two members from each of the four major political caucuses, which will include the chair and vice-chair of the legislative transportation committee. There will be four alternates to the executive committee, one from each of the four major political caucuses. Each alternate may represent a member from the same political caucus from which they were chosen when that member is absent, and have voting privileges during that absence.

~~Subject to section 1 of this act,~~ the executive committee is responsible for performing all general administrative and personnel duties assigned to it in the rules and procedures adopted by the committee, determining the number of legislative transportation committee staff, and other duties delegated to it by the

committee. Except when those responsibilities are assumed by the legislative transportation committee, and subject to section 1 of this act, the executive committee is responsible for adopting interim work plans and meeting schedules, approving all contracts signed on behalf of the committee, and setting policies for legislative transportation (~~committee [committee]~~) committee staff utilization.

Sec. 7. RCW 44.40.040 and 1979 c 151 s 157 are each amended to read as follows:

The members of the legislative transportation committee and the house and senate transportation committees shall receive allowances while attending meetings of the committees or subcommittees and while engaged in other authorized business of the committees as provided in RCW 44.04.120 (~~as now or hereafter amended~~). Subject to section 1 of this act, all expenses incurred by the committee, and the house and senate transportation committees, including salaries of employees of the legislative transportation committee, shall be paid upon voucher forms as provided by the office of financial management and signed by the chairman or vice chairman or authorized designee of the chairman of the committee, and the authority of said chairman or vice chairman to sign vouchers shall continue until their successors are selected. Vouchers may be drawn upon funds appropriated for the expenses of the committee.

Sec. 8. RCW 44.40.090 and 1977 ex.s. c 235 s 10 are each amended to read as follows:

Subject to section 1 of this act, powers and duties enumerated by this chapter shall be delegated to the senate and house transportation committees during periods when the legislative transportation committee is not appointed.

Sec. 9. RCW 44.40.100 and 1977 ex.s. c 235 s 11 are each amended to read as follows:

Subject to section 1 of this act, the legislative transportation committee (~~and/or~~) and the senate and house transportation committees may enter into contracts on behalf of the state to carry out the purposes of this chapter (~~44.40 RCW as amended~~); and it or they may act for the state in the initiation of or participation in any multigovernmental program relative to transportation planning or programming; and it or they may enter into contracts to receive federal or other funds, grants, or gifts to carry out said purposes and to be used in preference to or in combination with state funds. When federal or other funds are received, they shall be deposited with the state treasurer and thereafter expended only upon approval by the committee or committees.

NEW SECTION. Sec. 10. A new section is added to chapter 44.44 RCW to read as follows:

The administration of the joint committee on pension policy is subject to section 1 of this act.

Sec. 11. RCW 44.44.030 and 1987 c 25 s 2 are each amended to read as follows:

(1) Subject to section 1 of this act, the state actuary shall have the authority to select and employ such research, technical, clerical personnel, and consultants as the actuary deems necessary, whose salaries shall be fixed by the actuary and approved by the joint committee on pension policy, and who shall be exempt from the provisions of the state civil service law, chapter 41.06 RCW.

(2) All actuarial valuations and experience studies performed by the office of the state actuary shall be signed by a member of the American academy of actuaries. If the state actuary is not such a member, the state actuary, after approval by the committee, shall contract for a period not to exceed two years with a member of the American academy of actuaries to assist in developing actuarial valuations and experience studies.

NEW SECTION. Sec. 12. A new section is added to chapter 44.48 RCW to read as follows:

The administration of the legislative evaluation and accountability program committee is subject to section 1 of this act.

Sec. 13. RCW 44.48.050 and 1977 ex.s. c 373 s 5 are each amended to read as follows:

Subject to section 1 of this act, all expenses incurred by the committee, including salaries and expenses of employees, shall be paid upon voucher forms as provided by the administrator and signed by the chairman or vice chairman of the committee and attested by the secretary of said committee, and the authority of said chairman and secretary to sign vouchers shall continue until their successors are selected after each ensuing session of the legislature. Vouchers may be drawn on funds appropriated by law for the committee: PROVIDED, That the senate and the house may authorize the committee to draw on funds appropriated by the legislature for legislative expenses.

Sec. 14. RCW 44.48.090 and 1979 c 151 s 158 are each amended to read as follows:

The committee shall have the following powers:

(1) To have timely access, upon written request of the administrator, to all machine readable, printed, and other data of state agencies relative to expenditures, budgets, and related fiscal matters;

(2) To suggest changes relative to state accounting and reporting systems to the office of financial management or its successor and to require timely written responses to such suggestions; and

(3) Subject to section 1 of this act, to enter into contracts; and when entering into any contract for computer access, make necessary provisions relative to the scheduling of computer time and usage in recognition of the unique requirements and priorities of the legislative process.

Sec. 15. RCW 44.48.120 and 1977 ex.s. c 373 s 12 are each amended to read as follows:

The committee is hereby authorized and empowered to appoint an officer to be known as the LEAP administrator who shall be the executive officer of the committee and assist in its duties and shall compile information for the committee.

Subject to section 1 of this act, the committee is hereby authorized and empowered to select and employ temporary and permanent personnel and fix their salaries.

The duties of the administrator shall be as follows:

(1) To manage the LEAP operations.

(2) To assist the several standing committees of the house and senate; to appear before other legislative committees; and to assist any other legislative committee upon instruction by the committee.

(3) To provide the legislature with information obtained under the direction of the committee.

(4) To maintain a record of all work performed by the administrator under the direction of the committee and to keep and make available all documents, data, and reports submitted to the administrator by any legislative committee.

NEW SECTION. Sec. 16. A new section is added to chapter 44.68 RCW to read as follows:

The administration of the joint legislative systems committee is subject to section 1 of this act.

Sec. 17. RCW 44.68.040 and 1986 c 61 s 4 are each amended to read as follows:

Subject to section 1 of this act:

(1) The systems committee, after consultation with the administrative committee, shall employ a legislative systems coordinator. The coordinator shall serve at the pleasure of the systems committee, which shall fix the coordinator's salary.

(2) The coordinator shall serve as the executive and administrative head of the center, and shall assist the administrative committee in managing the information processing and communications systems of the legislature as directed by the administrative committee.

Sec. 18. RCW 44.68.050 and 1986 c 61 s 5 are each amended to read as follows:

The administrative committee shall, subject to the approval of the systems committee and subject to section 1 of this act:

(1) Adopt policies, procedures, and standards regarding the information processing and communications systems of the legislature;

(2) Establish appropriate charges for services, equipment, and publications provided by the legislative information processing and communications systems, applicable to legislative and nonlegislative users as determined by the administrative committee;

(3) Employ or engage and fix the compensation for personnel required to carry out the purposes of this chapter;

(4) Enter into contracts for (a) the sale, exchange, or acquisition of equipment, supplies, services, and facilities required to carry out the purposes of this chapter and (b) the distribution of legislative information;

(5) Generally assist the systems committee in carrying out its responsibilities under this chapter, as directed by the systems committee.

Passed the House April 20, 2001.

Passed the Senate April 19, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 260

[Second Substitute House Bill 1041]

UNLAWFUL HARASSMENT—CHILDREN—PROTECTION ORDERS

AN ACT Relating to protection orders for unlawful harassment: amending RCW 10.14.020, 10.14.120, 10.14.170, and 7.21.030; reenacting and amending RCW 10.14.040; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that unlawful harassment directed at a child by a person under the age of eighteen is not acceptable and can have serious consequences. The legislature further finds that some interactions between minors, such as "schoolyard scuffles," though not to be condoned, may not rise to the level of unlawful harassment. It is the intent of the legislature that a protection order sought by the parent or guardian of a child as provided for in this chapter be available only when the alleged behavior of the person under the age of eighteen to be restrained rises to the level set forth in chapter 10.14 RCW.

Sec. 2. RCW 10.14.020 and 1999 c 27 s 4 are each amended to read as follows:

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

(1) "Unlawful harassment" means a knowing and willful course of conduct directed at a specific person which seriously alarms, annoys, harasses, or is detrimental to such person, and which serves no legitimate or lawful purpose. The course of conduct shall be such as would cause a reasonable person to suffer substantial emotional distress, and shall actually cause substantial emotional distress to the petitioner, or, when the course of conduct (~~is contact by a person over age eighteen that~~) would cause a reasonable parent to fear for the well-being of their child.

(2) "Course of conduct" means a pattern of conduct composed of a series of acts over a period of time, however short, evidencing a continuity of purpose. "Course of conduct" includes, in addition to any other form of communication,

contact, or conduct, the sending of an electronic communication. Constitutionally protected activity is not included within the meaning of "course of conduct."

Sec. 3. RCW 10.14.040 and 1995 c 292 s 2 and 1995 c 127 s 2 are each reenacted and amended to read as follows:

There shall exist an action known as a petition for an order for protection in cases of unlawful harassment.

(1) A petition for relief shall allege the existence of harassment and shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought.

(2) A petition for relief may be made regardless of whether or not there is a pending lawsuit, complaint, petition, or other action between the parties.

(3) All court clerks' offices shall make available simplified forms and instructional brochures. Any assistance or information provided by clerks under this section does not constitute the practice of law and clerks are not responsible for incorrect information contained in a petition.

(4) Filing fees are set in RCW 36.18.020, but no filing fee may be charged for a petition filed in an existing action or under an existing cause number brought under this chapter in the jurisdiction where the relief is sought. Forms and instructional brochures shall be provided free of charge.

(5) A person is not required to post a bond to obtain relief in any proceeding under this section.

(6) The parent or guardian of a child under age eighteen may petition for an order of protection to restrain a person (~~over~~) age eighteen years or over from contact with that child upon a showing that contact with the person to be enjoined is detrimental to the welfare of the child.

(7) The parent or guardian of a child under the age of eighteen may petition in superior court for an order of protection to restrain a person under the age of eighteen years from contact with that child only in cases where the person to be restrained has been adjudicated of an offense against the child protected by the order, or is under investigation or has been investigated for such an offense. In issuing a protection order under this subsection, the court shall consider, among the other facts of the case, the severity of the alleged offense, any continuing physical danger or emotional distress to the alleged victim, and the expense, difficulty, and educational disruption that would be caused by a transfer of the alleged offender to another school. The court may order that the person restrained in the order not attend the public or approved private elementary, middle, or high school attended by the person under the age of eighteen years protected by the order. In the event that the court orders a transfer of the restrained person to another school, the parents or legal guardians of the person restrained in the order are responsible for transportation and other costs associated with the change of school by the person restrained in the order. The court shall send notice of the restriction on attending the same school as the person protected by the order to the public or approved

private school the person restrained by the order will attend and to the school the person protected by the order attends.

Sec. 4. RCW 10.14.120 and 1989 c 373 s 14 are each amended to read as follows:

Any willful disobedience by ~~((the respondent))~~ a respondent age eighteen years or over of any temporary antiharassment protection order or civil antiharassment protection order issued under this chapter subjects the respondent to criminal penalties under this chapter. Any respondent age eighteen years or over who willfully disobeys the terms of any order issued under this chapter may also, in the court's discretion, be found in contempt of court and subject to penalties under chapter 7.21 RCW. Any respondent under the age of eighteen years who willfully disobeys the terms of an order issued under this chapter may, in the court's discretion, be found in contempt of court and subject to the sanction specified in RCW 7.21.030(4).

Sec. 5. RCW 10.14.170 and 1987 c 280 s 17 are each amended to read as follows:

Any respondent age eighteen years or over who willfully disobeys any civil antiharassment protection order issued pursuant to this chapter shall be guilty of a gross misdemeanor.

Sec. 6. RCW 7.21.030 and 1998 c 296 s 36 are each amended to read as follows:

(1) The court may initiate a proceeding to impose a remedial sanction on its own motion or on the motion of a person aggrieved by a contempt of court in the proceeding to which the contempt is related. Except as provided in RCW 7.21.050, the court, after notice and hearing, may impose a remedial sanction authorized by this chapter.

(2) If the court finds that the person has failed or refused to perform an act that is yet within the person's power to perform, the court may find the person in contempt of court and impose one or more of the following remedial sanctions:

(a) Imprisonment if the contempt of court is of a type defined in RCW 7.21.010(1) (b) through (d). The imprisonment may extend only so long as it serves a coercive purpose.

(b) A forfeiture not to exceed two thousand dollars for each day the contempt of court continues.

(c) An order designed to ensure compliance with a prior order of the court.

(d) Any other remedial sanction other than the sanctions specified in (a) through (c) of this subsection if the court expressly finds that those sanctions would be ineffectual to terminate a continuing contempt of court.

(e) In cases under chapters 13.32A, 13.34, and 28A.225 RCW, commitment to juvenile detention for a period of time not to exceed seven days. This sanction may be imposed in addition to, or as an alternative to, any other remedial sanction

authorized by this chapter. This remedy is specifically determined to be a remedial sanction.

(3) The court may, in addition to the remedial sanctions set forth in subsection (2) of this section, order a person found in contempt of court to pay a party for any losses suffered by the party as a result of the contempt and any costs incurred in connection with the contempt proceeding, including reasonable attorney's fees.

(4) If the court finds that a person under the age of eighteen years has willfully disobeyed the terms of an order issued under chapter 10.14 RCW, the court may find the person in contempt of court and may, as a sole sanction for such contempt, commit the person to juvenile detention for a period of time not to exceed seven days.

Passed the House April 20, 2001.

Passed the Senate April 20, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 261

[House Bill 1045]

LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM— ACTUARIAL REDUCTION AGE

AN ACT Relating to reducing the law enforcement officers' and fire fighters' retirement system plan 2 disability actuarial reduction age from fifty-five to fifty-three; amending RCW 41.26.470 and 41.26.470; creating a new section; providing an effective date; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 41.26.470 and 1999 c 135 s 1 are each amended to read as follows:

(1) A member of the retirement system who becomes totally incapacitated for continued employment by an employer as determined by the director shall be eligible to receive an allowance under the provisions of RCW 41.26.410 through 41.26.550. Such member shall receive a monthly disability allowance computed as provided for in RCW 41.26.420 and shall have such allowance actuarially reduced to reflect the difference in the number of years between age at disability and the attainment of age (~~(fifty-five)~~) fifty-three.

(2) Any member who receives an allowance under the provisions of this section shall be subject to such comprehensive medical examinations as required by the department. If such medical examinations reveal that such a member has recovered from the incapacitating disability and the member is no longer entitled to benefits under Title 51 RCW, the retirement allowance shall be canceled and the member shall be restored to duty in the same civil service rank, if any, held by the member at the time of retirement or, if unable to perform the duties of the rank, then, at the member's request, in such other like or lesser rank as may be or become open and available, the duties of which the member is then able to perform. In no event shall a member previously drawing a disability allowance be returned or be

restored to duty at a salary or rate of pay less than the current salary attached to the rank or position held by the member at the date of the retirement for disability. If the department determines that the member is able to return to service, the member is entitled to notice and a hearing. Both the notice and the hearing shall comply with the requirements of chapter 34.05 RCW, the Administrative Procedure Act.

(3) Those members subject to this chapter who became disabled in the line of duty on or after July 23, 1989, and who receive benefits under RCW 41.04.500 through 41.04.530 or similar benefits under RCW 41.04.535 shall receive or continue to receive service credit subject to the following:

(a) No member may receive more than one month's service credit in a calendar month.

(b) No service credit under this section may be allowed after a member separates or is separated without leave of absence.

(c) Employer contributions shall be paid by the employer at the rate in effect for the period of the service credited.

(d) Employee contributions shall be collected by the employer and paid to the department at the rate in effect for the period of service credited.

(e) State contributions shall be as provided in RCW 41.26.450.

(f) Contributions shall be based on the regular compensation which the member would have received had the disability not occurred.

(g) The service and compensation credit under this section shall be granted for a period not to exceed six consecutive months.

(h) Should the legislature revoke the service credit authorized under this section or repeal this section, no affected employee is entitled to receive the credit as a matter of contractual right.

(4)(a) If the recipient of a monthly retirement allowance under this section dies before the total of the retirement allowance paid to the recipient equals the amount of the accumulated contributions at the date of retirement, then the balance shall be paid to the member's estate, or such person or persons, trust, or organization as the recipient has nominated by written designation duly executed and filed with the director, or, if there is no such designated person or persons still living at the time of the recipient's death, then to the surviving spouse, or, if there is neither such designated person or persons still living at the time of his or her death nor a surviving spouse, then to his or her legal representative.

(b) If a recipient of a monthly retirement allowance under this section died before April 27, 1989, and before the total of the retirement allowance paid to the recipient equaled the amount of his or her accumulated contributions at the date of retirement, then the department shall pay the balance of the accumulated contributions to the member's surviving spouse or, if there is no surviving spouse, then in equal shares to the member's children. If there is no surviving spouse or children, the department shall retain the contributions.

(5) Should the disability retirement allowance of any disability beneficiary be canceled for any cause other than reentrance into service or retirement for service,

he or she shall be paid the excess, if any, of the accumulated contributions at the time of retirement over all payments made on his or her behalf under this chapter.

Sec. 2. RCW 41.26.470 and 2000 c 247 s 1104 are each amended to read as follows:

(1) A member of the retirement system who becomes totally incapacitated for continued employment by an employer as determined by the director shall be eligible to receive an allowance under the provisions of RCW 41.26.410 through 41.26.550. Such member shall receive a monthly disability allowance computed as provided for in RCW 41.26.420 and shall have such allowance actuarially reduced to reflect the difference in the number of years between age at disability and the attainment of age (~~fifty-five~~) fifty-three.

(2) Any member who receives an allowance under the provisions of this section shall be subject to such comprehensive medical examinations as required by the department. If such medical examinations reveal that such a member has recovered from the incapacitating disability and the member is no longer entitled to benefits under Title 51 RCW, the retirement allowance shall be canceled and the member shall be restored to duty in the same civil service rank, if any, held by the member at the time of retirement or, if unable to perform the duties of the rank, then, at the member's request, in such other like or lesser rank as may be or become open and available, the duties of which the member is then able to perform. In no event shall a member previously drawing a disability allowance be returned or be restored to duty at a salary or rate of pay less than the current salary attached to the rank or position held by the member at the date of the retirement for disability. If the department determines that the member is able to return to service, the member is entitled to notice and a hearing. Both the notice and the hearing shall comply with the requirements of chapter 34.05 RCW, the Administrative Procedure Act.

(3) Those members subject to this chapter who became disabled in the line of duty on or after July 23, 1989, and who receive benefits under RCW 41.04.500 through 41.04.530 or similar benefits under RCW 41.04.535 shall receive or continue to receive service credit subject to the following:

(a) No member may receive more than one month's service credit in a calendar month.

(b) No service credit under this section may be allowed after a member separates or is separated without leave of absence.

(c) Employer contributions shall be paid by the employer at the rate in effect for the period of the service credited.

(d) Employee contributions shall be collected by the employer and paid to the department at the rate in effect for the period of service credited.

(e) State contributions shall be as provided in RCW 41.45.060 and 41.45.067.

(f) Contributions shall be based on the regular compensation which the member would have received had the disability not occurred.

(g) The service and compensation credit under this section shall be granted for a period not to exceed six consecutive months.

(h) Should the legislature revoke the service credit authorized under this section or repeal this section, no affected employee is entitled to receive the credit as a matter of contractual right.

(4)(a) If the recipient of a monthly retirement allowance under this section dies before the total of the retirement allowance paid to the recipient equals the amount of the accumulated contributions at the date of retirement, then the balance shall be paid to the member's estate, or such person or persons, trust, or organization as the recipient has nominated by written designation duly executed and filed with the director, or, if there is no such designated person or persons still living at the time of the recipient's death, then to the surviving spouse, or, if there is neither such designated person or persons still living at the time of his or her death nor a surviving spouse, then to his or her legal representative.

(b) If a recipient of a monthly retirement allowance under this section died before April 27, 1989, and before the total of the retirement allowance paid to the recipient equaled the amount of his or her accumulated contributions at the date of retirement, then the department shall pay the balance of the accumulated contributions to the member's surviving spouse or, if there is no surviving spouse, then in equal shares to the member's children. If there is no surviving spouse or children, the department shall retain the contributions.

(5) Should the disability retirement allowance of any disability beneficiary be canceled for any cause other than reentrance into service or retirement for service, he or she shall be paid the excess, if any, of the accumulated contributions at the time of retirement over all payments made on his or her behalf under this chapter.

NEW SECTION. Sec. 3. Any member of the retirement system that first received an allowance under RCW 41.26.470 after September 1, 2000, that was actuarially reduced from age fifty-five shall have their allowance recalculated to reflect an actuarial reduction from age fifty-three.

NEW SECTION. Sec. 4. Section 1 of this act expires March 1, 2002.

NEW SECTION. Sec. 5. Section 2 of this act takes effect March 1, 2002.

Passed the House March 9, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 262

[House Bill 1095]

OVERSIZE LOAD PERMITS

AN ACT Relating to the authority to issue special permits for oversize or overweight movements; amending RCW 46.44.090 and 46.44.091; adding a new section to chapter 46.44 RCW; and repealing RCW 46.44.038.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.44.090 and 1977 ex.s. c 151 s 30 are each amended to read as follows:

The department of transportation, pursuant to rules adopted by the transportation commission with respect to state highways, and local authorities, with respect to public highways under their jurisdiction, may, upon application in writing and good cause being shown therefor, issue a special permit in writing, or electronically, authorizing the applicant to operate or move a vehicle or combination of vehicles of a size, weight of vehicle, or load exceeding the maximum (~~(specified in this chapter or otherwise not in conformity with the provisions of this chapter)~~) set forth in RCW 46.44.010, 46.44.020, 46.44.020, 46.44.034, and 46.44.041 upon any public highway under the jurisdiction of the authority granting such permit and for the maintenance of which such authority is responsible.

Sec. 2. RCW 46.44.091 and 1989 c 52 s 1 are each amended to read as follows:

(1) Except as otherwise provided in subsections (3) and (4) of this section, no special permit shall be issued for movement on any state highway or route of a state highway within the limits of any city or town where the gross weight, including load, exceeds the following limits:

(a) Twenty-two thousand pounds on a single axle or on dual axles with a wheelbase between the first and second axles of less than three feet six inches;

(b) Forty-three thousand pounds on dual axles having a wheelbase between the first and second axles of not less than three feet six inches but less than seven feet;

(c) On any group of axles or in the case of a vehicle employing two single axles with a wheel base between the first and last axle of not less than seven feet but less than ten feet, a weight in pounds determined by multiplying six thousand five hundred times the distance in feet between the center of the first axle and the center of the last axle of the group;

(d) On any group of axles with a wheel base between the first and last axle of not less than ten feet but less than thirty feet, a weight in pounds determined by multiplying two thousand two hundred times the sum of twenty and the distance in feet between the center of the first axle and the center of the last axle of the group;

(e) On any group of axles with a wheel base between the first and last axle of thirty feet or greater, a weight in pounds determined by multiplying one thousand six hundred times the sum of forty and the distance in feet between the center of the first axle and the center of the last axle of the group.

(2) The total weight of a vehicle or combination of vehicles allowable by special permit under subsection (1) of this section shall be governed by the lesser of the weights obtained by using the total number of axles as a group or any combination of axles as a group.

(3) The weight limitations pertaining to single axles may be exceeded to permit the movement of equipment operating upon single pneumatic tires having a rim width of twenty inches or more and a rim diameter of twenty-four inches or more or dual pneumatic tires having a rim width of sixteen inches or more and a rim diameter of twenty-four inches or more and specially designed vehicles manufactured and certified for special permits prior to July 1, 1975.

(4) Permits may be issued for weights in excess of the limitations contained in subsection (1) of this section on highways or sections of highways which have been designed and constructed for weights in excess of such limitations, or for any shipment duly certified as necessary by military officials, or by officials of public or private power facilities, or when in the opinion of the department of transportation the movement or action is a necessary movement or action: PROVIDED, That in the judgment of the department of transportation the structures and highway surfaces on the routes involved are capable of sustaining weights in excess of such limitations and it is not reasonable for economic or operational considerations to transport such excess weights by rail or water for any substantial distance of the total mileage applied for.

~~(5) ((Permits may be issued for the operation of fire trucks on the public highways if the maximum gross weight on any single axle does not exceed twenty-four thousand pounds and the gross weight on any tandem axle does not exceed forty-three thousand pounds.~~

~~—(6))~~ Application shall be made in writing on special forms provided by the department of transportation and shall be submitted at least thirty-six hours in advance of the proposed movement. An application for a special permit for a gross weight of any combination of vehicles exceeding two hundred thousand pounds shall be submitted in writing to the department of transportation at least thirty days in advance of the proposed movement.

NEW SECTION. Sec. 3. A new section is added to chapter 46.44 RCW to read as follows:

(1) As used in this section, "fire-fighting apparatus" means a vehicle or combination of vehicles, owned by a regularly organized fire suppression agency, designed, maintained, and used exclusively for fire suppression and rescue or for fire prevention activities. These vehicles and associated loads or equipment are necessary to protect the public safety and are considered nondivisible loads. A vehicle or combination of vehicles that is not designed primarily for fire suppression including, but not limited to, a hazardous materials response vehicle, bus, mobile kitchen, mobile sanitation facility, and heavy equipment transport vehicle is not a fire-fighting apparatus for purposes of this section.

(2) Fire-fighting apparatus must comply with all applicable federal and state vehicle operating and safety criteria, including rules adopted by agencies within each jurisdiction.

(3) All owners and operators of fire-fighting apparatus shall comply with current information, available through the department, regarding the applicable

load restrictions of state bridges within the designated fire service area, including any automatic or mutual aid agreement areas.

(4) Fire-fighting apparatus operating within a fire district boundary of the owner of the apparatus, including any automatic or mutual aid agreement areas, may operate without a permit if:

(a) The weight does not exceed:

(i) 600 pounds per inch width of tire;

(ii) 24,000 pounds on a single axle;

(iii) 43,000 pounds on a tandem axle set;

(iv) 67,000 pounds gross vehicle weight, subject to the gross weight limits of RCW 46.44.091(1) (c), (d), and (e);

(v) The tire manufacturer's tire load rating.

(b) There is no tridem axle set.

(c) The dimensions do not exceed:

(i) 8 feet, 6 inches wide;

(ii) 14 feet high;

(iii) 50 feet overall length;

(iv) 15 foot front overhang;

(v) Rear overhang not exceeding the length of the wheel base.

(5) The department may grant permits for fire fighting apparatus that exceed the weight limits in subsection (4) of this section only if they were put into operation in this state before July 1, 2001. The department shall issue the permit on an annual basis for the apparatus to operate within the designated fire service area, including mutual benefit agreement areas, subject to the applicable load restrictions of state bridges referred to in subsection (3) of this section and any other limitations stipulated on the permit. Before issuing a permit, the department will compare the apparatus to be permitted with the bridge load ratings for structures on state highways within the operating area. The permit will denote any structures where access by the apparatus is either based on special operating instructions or is denied.

NEW SECTION. Sec. 4. RCW 46.44.038 (Size and combinations restrictions—Special permits to exceed authorized) and 1983 c 3 s 120 & 1967 ex.s. c 145 s 62 are each repealed.

Passed the House April 13, 2001.

Passed the Senate April 4, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 263

[Substitute House Bill 1120]

COMMON SCHOOL PERSONNEL—LAPSED CERTIFICATES—EMPLOYMENT

AN ACT Relating to the conditional employment of teachers with lapsed certifications; and reenacting and amending RCW 28A.410.010.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.410.010 and 1992 c 159 s 3 and 1992 c 60 s 2 are each reenacted and amended to read as follows:

The state board of education shall establish, publish, and enforce rules and regulations determining eligibility for and certification of personnel employed in the common schools of this state, including certification for emergency or temporary, substitute or provisional duty and under such certificates or permits as the board shall deem proper or as otherwise prescribed by law. The rules shall require that the initial application for certification shall require a record check of the applicant through the Washington state patrol criminal identification system and through the federal bureau of investigation at the applicant's expense. The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. The superintendent of public instruction may waive the record check for any applicant who has had a record check within the two years before application. The rules shall permit a holder of a lapsed certificate but not a revoked or suspended certificate to be employed on a conditional basis by a school district with the requirement that the holder must complete any certificate renewal requirements established by the state board of education within two years of initial reemployment.

In establishing rules pertaining to the qualifications of instructors of American sign language the state board shall consult with the national association of the deaf, "sign instructors guidance network" (s.i.g.n.), and the Washington state association of the deaf for evaluation and certification of sign language instructors.

The superintendent of public instruction shall act as the administrator of any such rules and regulations and have the power to issue any certificates or permits and revoke the same in accordance with board rules and regulations.

Passed the House April 18, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 264

[House Bill 1227]

ESCAPING FROM CUSTODY

AN ACT Relating to escaping from custody; amending RCW 9A.76.110, 9A.76.120, 9A.76.170, 9A.76.010, and 9.94A.360; adding a new section to chapter 10.88 RCW; creating a new section; repealing RCW 72.65.070 and 72.66.060; prescribing penalties; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 9A.76.110 and 1982 1st ex.s. c 47 s 23 are each amended to read as follows:

(1) A person is guilty of escape in the first degree if ~~((:))~~ he or she knowingly escapes from custody or a detention facility while being detained pursuant to a conviction of a felony or an equivalent juvenile offense ~~((he escapes from custody or a detention facility))~~.

(2) It is an affirmative defense to a prosecution under this section that uncontrollable circumstances prevented the person from remaining in custody or in the detention facility or from returning to custody or to the detention facility, and that the person did not contribute to the creation of such circumstances in reckless disregard of the requirement to remain or return, and that the person returned to custody or the detention facility as soon as such circumstances ceased to exist.

(3) Escape in the first degree is a class B felony.

Sec. 2. RCW 9A.76.120 and 1995 c 216 s 15 are each amended to read as follows:

(1) A person is guilty of escape in the second degree if:

(a) He or she knowingly escapes from a detention facility;

(b) Having been charged with a felony or an equivalent juvenile offense, he or she knowingly escapes from custody; or

(c) ~~((Having been found to be a sexually violent predator and being under an order of conditional release, he or she leaves the state of Washington without prior court authorization))~~ Having been committed under chapter 10.77 RCW for a sex, violent, or felony harassment offense and being under an order of conditional release, he or she knowingly leaves or remains absent from the state of Washington without prior court authorization.

(2) It is an affirmative defense to a prosecution under this section that uncontrollable circumstances prevented the person from remaining in custody or in the detention facility or from returning to custody or to the detention facility, and that the person did not contribute to the creation of such circumstances in reckless disregard of the requirement to remain or return, and that the person returned to custody or the detention facility as soon as such circumstances ceased to exist.

(3) Escape in the second degree is a class C felony.

Sec. 3. RCW 9A.76.170 and 1983 1st ex.s. c 4 s 3 are each amended to read as follows:

(1) Any person having been released by court order or admitted to bail with knowledge of the requirement of a subsequent personal appearance before any court of this state, or of the requirement to report to a correctional facility for service of sentence, and who ~~((knowingly))~~ fails to appear or who fails to surrender for service of sentence as required is guilty of bail jumping.

(2) It is an affirmative defense to a prosecution under this section that uncontrollable circumstances prevented the person from appearing or surrendering, and that the person did not contribute to the creation of such circumstances in reckless disregard of the requirement to appear or surrender, and that the person appeared or surrendered as soon as such circumstances ceased to exist.

(3) Bail jumping is:

- (a) A class A felony if the person was held for, charged with, or convicted of murder in the first degree;
- (b) A class B felony if the person was held for, charged with, or convicted of a class A felony other than murder in the first degree;
- (c) A class C felony if the person was held for, charged with, or convicted of a class B or class C felony;
- (d) A misdemeanor if the person was held for, charged with, or convicted of a gross misdemeanor or misdemeanor.

Sec. 4. RCW 9A.76.010 and 1991 c 181 s 6 are each amended to read as follows:

The following definitions are applicable in this chapter unless the context otherwise requires:

(1) "Custody" means restraint pursuant to a lawful arrest or an order of a court, or any period of service on a work crew: PROVIDED, That custody pursuant to chapter 13.34 RCW and RCW 74.13.020 and 74.13.031 and chapter 13.32A RCW shall not be deemed custody for purposes of this chapter;

(2) "Detention facility" means any place used for the confinement of a person (a) arrested for, charged with or convicted of an offense, or (b) charged with being or adjudicated to be a juvenile offender as defined in RCW 13.40.020 as now existing or hereafter amended, or (c) held for extradition or as a material witness, or (d) otherwise confined pursuant to an order of a court, except an order under chapter 13.34 RCW or chapter 13.32A RCW, or (e) in any work release, furlough, or other such facility or program;

(3) "Contraband" means any article or thing which a person confined in a detention facility is prohibited from obtaining or possessing by statute, rule, regulation, or order of a court;

(4) "Uncontrollable circumstances" means an act of nature such as a flood, earthquake, or fire, or a medical condition that requires immediate hospitalization or treatment, or an act of man such as an automobile accident or threats of death, forcible sexual attack, or substantial bodily injury in the immediate future for which there is no time for a complaint to the authorities and no time or opportunity to resort to the courts.

Sec. 5. RCW 9.94A.360 and 2000 c 28 s 15 are each amended to read as follows:

The offender score is measured on the horizontal axis of the sentencing grid. The offender score rules are as follows:

The offender score is the sum of points accrued under this section rounded down to the nearest whole number.

(1) A prior conviction is a conviction which exists before the date of sentencing for the offense for which the offender score is being computed. Convictions entered or sentenced on the same date as the conviction for which the offender score is being computed shall be deemed "other current offenses" within the meaning of RCW 9.94A.400.

(2) Class A and sex prior felony convictions shall always be included in the offender score. Class B prior felony convictions other than sex offenses shall not be included in the offender score, if since the last date of release from confinement (including full-time residential treatment) pursuant to a felony conviction, if any, or entry of judgment and sentence, the offender had spent ten consecutive years in the community without committing any crime that subsequently results in a conviction. Class C prior felony convictions other than sex offenses shall not be included in the offender score if, since the last date of release from confinement (including full-time residential treatment) pursuant to a felony conviction, if any, or entry of judgment and sentence, the offender had spent five consecutive years in the community without committing any crime that subsequently results in a conviction. Serious traffic convictions shall not be included in the offender score if, since the last date of release from confinement (including full-time residential treatment) pursuant to a felony conviction, if any, or entry of judgment and sentence, the offender spent five years in the community without committing any crime that subsequently results in a conviction. This subsection applies to both adult and juvenile prior convictions.

(3) Out-of-state convictions for offenses shall be classified according to the comparable offense definitions and sentences provided by Washington law. Federal convictions for offenses shall be classified according to the comparable offense definitions and sentences provided by Washington law. If there is no clearly comparable offense under Washington law or the offense is one that is usually considered subject to exclusive federal jurisdiction, the offense shall be scored as a class C felony equivalent if it was a felony under the relevant federal statute.

(4) Score prior convictions for felony anticipatory offenses (attempts, criminal solicitations, and criminal conspiracies) the same as if they were convictions for completed offenses.

(5)(a) In the case of multiple prior convictions, for the purpose of computing the offender score, count all convictions separately, except:

(i) Prior offenses which were found, under RCW 9.94A.400(1)(a), to encompass the same criminal conduct, shall be counted as one offense, the offense that yields the highest offender score. The current sentencing court shall determine with respect to other prior adult offenses for which sentences were served concurrently or prior juvenile offenses for which sentences were served consecutively, whether those offenses shall be counted as one offense or as separate offenses using the "same criminal conduct" analysis found in RCW 9.94A.400(1)(a), and if the court finds that they shall be counted as one offense, then the offense that yields the highest offender score shall be used. The current sentencing court may presume that such other prior offenses were not the same criminal conduct from sentences imposed on separate dates, or in separate counties or jurisdictions, or in separate complaints, indictments, or informations;

(ii) In the case of multiple prior convictions for offenses committed before July 1, 1986, for the purpose of computing the offender score, count all adult convictions served concurrently as one offense, and count all juvenile convictions entered on the same date as one offense. Use the conviction for the offense that yields the highest offender score.

(b) As used in this subsection (5), "served concurrently" means that: (i) The latter sentence was imposed with specific reference to the former; (ii) the concurrent relationship of the sentences was judicially imposed; and (iii) the concurrent timing of the sentences was not the result of a probation or parole revocation on the former offense.

(6) If the present conviction is one of the anticipatory offenses of criminal attempt, solicitation, or conspiracy, count each prior conviction as if the present conviction were for a completed offense. When these convictions are used as criminal history, score them the same as a completed crime.

(7) If the present conviction is for a nonviolent offense and not covered by subsection (11) or (12) of this section, count one point for each adult prior felony conviction and one point for each juvenile prior violent felony conviction and 1/2 point for each juvenile prior nonviolent felony conviction.

(8) If the present conviction is for a violent offense and not covered in subsection (9), (10), (11), or (12) of this section, count two points for each prior adult and juvenile violent felony conviction, one point for each prior adult nonviolent felony conviction, and 1/2 point for each prior juvenile nonviolent felony conviction.

(9) If the present conviction is for a serious violent offense, count three points for prior adult and juvenile convictions for crimes in this category, two points for each prior adult and juvenile violent conviction (not already counted), one point for each prior adult nonviolent felony conviction, and 1/2 point for each prior juvenile nonviolent felony conviction.

(10) If the present conviction is for Burglary 1, count prior convictions as in subsection (8) of this section; however count two points for each prior adult Burglary 2 or residential burglary conviction, and one point for each prior juvenile Burglary 2 or residential burglary conviction.

(11) If the present conviction is for a felony traffic offense count two points for each adult or juvenile prior conviction for Vehicular Homicide or Vehicular Assault; for each felony offense count one point for each adult and 1/2 point for each juvenile prior conviction; for each serious traffic offense, other than those used for an enhancement pursuant to RCW 46.61.520(2), count one point for each adult and 1/2 point for each juvenile prior conviction.

(12) If the present conviction is for a drug offense count three points for each adult prior felony drug offense conviction and two points for each juvenile drug offense. All other adult and juvenile felonies are scored as in subsection (8) of this section if the current drug offense is violent, or as in subsection (7) of this section if the current drug offense is nonviolent.

(13) If the present conviction is for (~~Willful Failure to Return from Furlough; RCW 72.66.060, Willful Failure to Return from Work Release, RCW 72.65.070, or~~) Escape from Community Custody, RCW 72.09.310, count only prior escape convictions in the offender score. Count adult prior escape convictions as one point and juvenile prior escape convictions as 1/2 point.

(14) If the present conviction is for Escape 1, RCW 9A.76.110, or Escape 2, RCW 9A.76.120, count adult prior convictions as one point and juvenile prior convictions as 1/2 point.

(15) If the present conviction is for Burglary 2 or residential burglary, count priors as in subsection (7) of this section; however, count two points for each adult and juvenile prior Burglary 1 conviction, two points for each adult prior Burglary 2 or residential burglary conviction, and one point for each juvenile prior Burglary 2 or residential burglary conviction.

(16) If the present conviction is for a sex offense, count priors as in subsections (7) through (15) of this section; however count three points for each adult and juvenile prior sex offense conviction.

(17) If the present conviction is for an offense committed while the offender was under community placement, add one point.

NEW SECTION. Sec. 6. A new section is added to chapter 10.88 RCW to read as follows:

A law enforcement agency shall deliver a person in custody to the accredited agent or agents of a demanding state without the governor's warrant provided that:

(1) Such person is alleged to have broken the terms of his or her probation, parole, bail, or any other release of the demanding state; and

(2) The law enforcement agency has received from the demanding state an authenticated copy of a prior waiver of extradition signed by such person as a term of his or her probation, parole, bail, or any other release of the demanding state and photographs or fingerprints or other evidence properly identifying the person as the person who signed the waiver.

NEW SECTION. Sec. 7. The following acts or parts of acts are each repealed:

(1) RCW 72.65.070 (Wilfully failing to return—Deemed escapee and fugitive—Penalty) and 1967 c 17 s 7; and

(2) RCW 72.66.060 (Wilfully failing to return—Deemed escapee and fugitive—Penalty) and 1971 ex.s. c 58 s 7.

NEW SECTION. Sec. 8. The laws repealed by this act are repealed except with respect to rights and duties which matured, penalties which were incurred, proceedings which were begun prior to the effective date of this act, or proceedings which are initiated after this act for violations committed prior to the effective date of this act.

NEW SECTION. Sec. 9. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the House April 20, 2001.

Passed the Senate April 19, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 265

[Second Substitute House Bill 1249]

FOSTER CARE—ACCREDITATION

AN ACT Relating to the quality of foster care services; and adding new sections to chapter 74.13 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 74.13 RCW, to be codified after RCW 74.13.010, to read as follows:

The legislature finds that accreditation of children's services by an independent entity can significantly improve the quality of services provided to children and families. Accreditation involves an ongoing commitment to meeting nationally recognized standards of practice in child welfare and holds organizations accountable for achieving improved outcomes for children.

Accreditation is a structured process designed to facilitate organizational change and improvement within individual local offices. Standards require improved case management, documentation, internal case management practices, and accountability. Accreditation requires the establishment of clear communication with biological parents, foster and adoptive parents, providers, the courts, and members of the community.

NEW SECTION. Sec. 2. A new section is added to chapter 74.13 RCW, to be codified after section 1 of this act, to read as follows:

The department shall undertake the process of accreditation with the goal of completion by July 2006. The department, in conjunction with a national independent accreditation entity, shall report to the appropriate legislative committees its progress towards complete accreditation on an annual basis, starting December 2001.

Passed the House April 20, 2001.

Passed the Senate April 19, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 266

[House Bill 1255]

EDUCATIONAL SERVICE DISTRICTS

AN ACT Relating to educational service districts; amending RCW 28A.400.240; and reenacting and amending RCW 28A.400.350.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.400.240 and 1975 1st ex.s. c 205 s 1 are each amended to read as follows:

In addition to any other powers and duties, any school district or educational service district may contract with any classified or certificated employee to defer a portion of that employee's income, which deferred portion shall in no event exceed the appropriate internal revenue service exclusion allowance for such plans, and shall subsequently with the consent of the employee, deposit or invest in a credit union, savings and loan association, bank, mutual savings bank, or purchase life insurance, shares of an investment company, or a fixed and/or variable annuity contract, for the purpose of funding a deferred compensation program for the employee, from any life underwriter or registered representative duly licensed by this state who represents an insurance company or an investment company licensed to contract business in this state. In no event shall the total investments or payments, and the employee's nondeferred income for any year exceed the total annual salary, or compensation under the existing salary schedule or classification plan applicable to such employee in such year. Any income deferred under such a plan shall continue to be included as regular compensation, for the purpose of computing the retirement and pension benefits earned by any employee, but any sum so deducted shall not be included in the computation of any taxes withheld on behalf of any such employee.

Sec. 2. RCW 28A.400.350 and 1995 1st sp.s. c 6 s 18 and 1995 c 126 s 1 are each reenacted and amended to read as follows:

(1) The board of directors of any of the state's school districts or educational service districts may make available liability, life, health, health care, accident, disability and salary protection or insurance or any one of, or a combination of the enumerated types of insurance, or any other type of insurance or protection, for the members of the boards of directors, the students, and employees of the school district or educational service district, and their dependents. Such coverage may be provided by contracts with private carriers, with the state health care authority after July 1, 1990, pursuant to the approval of the authority administrator, or through self-insurance or self-funding pursuant to chapter 48.62 RCW, or in any other manner authorized by law.

(2) Whenever funds are available for these purposes the board of directors of the school district or educational service district may contribute all or a part of the cost of such protection or insurance for the employees of their respective school districts or educational service districts and their dependents. The premiums on

such liability insurance shall be borne by the school district or educational service district.

After October 1, 1990, school districts may not contribute to any employee protection or insurance other than liability insurance unless the district's employee benefit plan conforms to RCW 28A.400.275 and 28A.400.280.

(3) For school board members, educational service district board members, and students, the premiums due on such protection or insurance shall be borne by the assenting school board member, educational service district board member, or student. The school district or educational service district may contribute all or part of the costs, including the premiums, of life, health, health care, accident or disability insurance which shall be offered to all students participating in interschool activities on the behalf of or as representative of their school ((or)), school district, or educational service district. The school district board of directors and the educational service district board may require any student participating in extracurricular interschool activities to, as a condition of participation, document evidence of insurance or purchase insurance that will provide adequate coverage, as determined by the school district board of directors or the educational service district board, for medical expenses incurred as a result of injury sustained while participating in the extracurricular activity. In establishing such a requirement, the district shall adopt regulations for waiving or reducing the premiums of such coverage as may be offered through the school district or educational service district to students participating in extracurricular activities, for those students whose families, by reason of their low income, would have difficulty paying the entire amount of such insurance premiums. The district board shall adopt regulations for waiving or reducing the insurance coverage requirements for low-income students in order to assure such students are not prohibited from participating in extracurricular interschool activities.

(4) All contracts for insurance or protection written to take advantage of the provisions of this section shall provide that the beneficiaries of such contracts may utilize on an equal participation basis the services of those practitioners licensed pursuant to chapters 18.22, 18.25, 18.53, 18.57, and 18.71 RCW.

Passed the House March 9, 2001.

Passed the Senate April 10, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 267

[House Bill 1287]

MANDATORY LOCAL MEASURED TELECOMMUNICATIONS SERVICE—PROHIBITION

AN ACT Relating to extending the prohibition on mandatory local measured telecommunications service; amending RCW 80.04.130; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 80.04.130 and 1998 c 110 s 1 are each amended to read as follows:

(1) Whenever any public service company shall file with the commission any schedule, classification, rule or regulation, the effect of which is to change any rate, charge, rental or toll theretofore charged, the commission shall have power, either upon its own motion or upon complaint, upon notice, to enter upon a hearing concerning such proposed change and the reasonableness and justness thereof, and pending such hearing and the decision thereon the commission may suspend the operation of such rate, charge, rental or toll for a period not exceeding ten months from the time the same would otherwise go into effect, and after a full hearing the commission may make such order in reference thereto as would be provided in a hearing initiated after the same had become effective. The commission shall not suspend a tariff that makes a decrease in a rate, charge, rental, or toll filed by a telecommunications company pending investigation of the fairness, justness, and reasonableness of the decrease when the filing does not contain any offsetting increase to another rate, charge, rental, or toll and the filing company agrees to not file for an increase to any rate, charge, rental, or toll to recover the revenue deficit that results from the decrease for a period of one year. The filing company shall file with any decrease sufficient information as the commission by rule may require to demonstrate the decreased rate, charge, rental, or toll is above the long run incremental cost of the service. A tariff decrease that results in a rate that is below long run incremental cost, or is contrary to commission rule or order, or the requirements of this chapter, shall be rejected for filing and returned to the company. The commission may prescribe a different rate to be effective on the prospective date stated in its final order after its investigation, if it concludes based on the record that the originally filed and effective rate is unjust, unfair, or unreasonable.

For the purposes of this section, tariffs for the following telecommunications services, that temporarily waive or reduce charges for existing or new subscribers for a period not to exceed sixty days in order to promote the use of the services shall be considered tariffs that decrease rates, charges, rentals, or tolls:

- (a) Custom calling service;
- (b) Second access lines; or
- (c) Other services the commission specifies by rule.

The commission may suspend any promotional tariff other than those listed in (a) through (c) of this subsection.

The commission may suspend the initial tariff filing of any water company removed from and later subject to commission jurisdiction because of the number of customers or the average annual gross revenue per customer provisions of RCW 80.04.010. The commission may allow temporary rates during the suspension period. These rates shall not exceed the rates charged when the company was last regulated. Upon a showing of good cause by the company, the commission may establish a different level of temporary rates.

(2) At any hearing involving any change in any schedule, classification, rule or regulation the effect of which is to increase any rate, charge, rental or toll therefor charged, the burden of proof to show that such increase is just and reasonable shall be upon the public service company.

(3) The implementation of mandatory local measured telecommunications service is a major policy change in available telecommunications service. The commission shall not accept for filing a price list, nor shall it accept for filing or approve, prior to June 1, ((2001)) 2004, a tariff filed by a telecommunications company which imposes mandatory local measured service on any customer or class of customers, except that, upon finding that it is in the public interest, the commission may accept for filing a price list or it may accept for filing and approve a tariff that imposes mandatory measured service for a telecommunications company's extended area service or foreign exchange service. This subsection does not apply to land, air, or marine mobile service, or to pay telephone service, or to any service which has been traditionally offered on a measured service basis.

(4) The implementation of Washington telephone assistance program service is a major policy change in available telecommunications service. The implementation of Washington telephone assistance program service will aid in achieving the stated goal of universal telephone service.

(5) If a utility claims a sales or use tax exemption on the pollution control equipment for an electrical generation facility and abandons the generation facility before the pollution control equipment is fully depreciated, any tariff filing for a rate increase to recover abandonment costs for the pollution control equipment shall be considered unjust and unreasonable for the purposes of this section.

NEW SECTION. Sec. 2. 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.

Passed the House April 17, 2001.

Passed the Senate April 9, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 268

[Substitute House Bill 1325]

JOINT COMMITTEE ON VETERANS' AND MILITARY AFFAIRS

AN ACT Relating to the joint committee on veterans' and military affairs; adding a new section to chapter 73.04 RCW; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 73.04 RCW to read as follows:

(1) There is hereby created a joint committee on veterans' and military affairs. The committee shall consist of: (a) Eight members of the senate appointed by the

president of the senate, four of whom shall be members of the majority party and four of whom shall be members of the minority party; and (b) eight members of the house of representatives appointed by the speaker, four of whom shall be members of the majority party and four of whom shall be members of the minority party. Members of the committee shall be appointed before the close of the 2001 legislative session, and before the close of each regular session during an odd-numbered year thereafter.

(2) Each member's term of office shall run from the close of the session in which he or she was appointed until the close of the next regular session held in an odd-numbered year. If a successor is not appointed during a session, the member's term shall continue until the member is reappointed or a successor is appointed. The term of office for a committee member who does not continue as a member of the senate or house of representatives shall cease upon the convening of the next session of the legislature during an odd-numbered year after the member's appointment, or upon the member's resignation, whichever is earlier. Vacancies on the committee shall be filled by appointment in the same manner as described in subsection (1) of this section. All such vacancies shall be filled from the same political party and from the same house as the member whose seat was vacated.

(3) The committee shall establish an executive committee of four members representing the majority and minority caucuses of each house. The executive committee is responsible for performing all general administrative and personnel duties assigned to it in the rules and procedures adopted by the joint committee, as well as other duties delegated to it by the joint committee.

(4) The joint committee on veterans' and military affairs has the following powers and duties:

(a) To study veterans' issues, active military forces issues, and national guard and reserve component issues, and make recommendations to the legislature; and

(b) To study structure and administration of the department of veterans affairs and the military department, and make recommendations to the legislature.

(5) The joint committee shall adopt rules and procedures for its orderly operation. The joint committee may create subcommittees to perform duties under this section.

(6) This section expires December 31, 2005.

NEW SECTION. Sec. 2. The joint committee on veterans' and military affairs shall study recommending legislation for the upcoming legislative session that requires the display of the national league of families' POW/MIA flag along with the flag of the United States and the flag of the state upon or near the principal building of the public entity on various holidays.

Passed the House April 21, 2001.

Passed the Senate April 20, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 269

[Substitute House Bill 1341]

COMMUNITY RESIDENTIAL OPTIONS FOR NURSING FACILITY ELIGIBLE CLIENTS

AN ACT Relating to increasing community residential options for nursing facility eligible clients; amending RCW 74.09.700; and adding a new section to chapter 74.39 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.09.700 and 1993 c 57 s 2 are each amended to read as follows:

(1) To the extent of available funds and subject to any conditions placed on appropriations made for this purpose, medical care may be provided under the limited casualty program to persons not otherwise eligible for medical assistance or medical care services who are medically needy as defined in the social security Title XIX state plan and medical indigents in accordance with eligibility requirements established by the department. The eligibility requirements may include minimum levels of incurred medical expenses. This includes residents of nursing facilities ~~(and)~~, residents of intermediate care facilities for the mentally retarded, and individuals who are otherwise eligible for section 1915(c) of the federal social security act home and community-based waiver services, administered by the department of social and health services aging and adult services administration, who are aged, blind, or disabled as defined in Title XVI of the federal social security act and whose income exceeds three hundred percent of the federal supplement security income benefit level.

(2) Determination of the amount, scope, and duration of medical coverage under the limited casualty program shall be the responsibility of the department, subject to the following:

(a) Only the following services may be covered:

(i) For persons who are medically needy as defined in the social security Title XIX state plan: Inpatient and outpatient hospital services, and home and community-based waiver services;

(ii) For persons who are medically needy as defined in the social security Title XIX state plan, and for persons who are medical indigents under the eligibility requirements established by the department: Rural health clinic services; physicians' and clinic services; prescribed drugs, dentures, prosthetic devices, and eyeglasses; nursing facility services; and intermediate care facility services for the mentally retarded; home health services; hospice services; other laboratory and x-ray services; rehabilitative services, including occupational therapy; medically necessary transportation; and other services for which funds are specifically provided in the omnibus appropriations act;

(b) Medical care services provided to the medically indigent and received no more than seven days prior to the date of application shall be retroactively certified and approved for payment on behalf of a person who was otherwise eligible at the time the medical services were furnished: PROVIDED, That eligible persons who

fail to apply within the seven-day time period for medical reasons or other good cause may be retroactively certified and approved for payment.

(3) The department shall establish standards of assistance and resource and income exemptions. All nonexempt income and resources of limited casualty program recipients shall be applied against the cost of their medical care services.

NEW SECTION. Sec. 2. A new section is added to chapter 74.39 RCW to read as follows:

(1) To the extent of available funds and subject to any conditions placed on appropriations for this purpose, the department may provide one or more home and community-based waiver programs in accordance with section 1915(c) of the federal social security act for Washington residents who have a gross income in excess of three hundred percent of the federal supplemental security income benefit level. The waiver services provided in accordance with this section may differ from, and shall operate with a separate limit or limits on total enrollment than, those provided for persons who are categorically needy as defined in Title XIX of the federal social security act. The department shall adopt rules to establish eligibility criteria, applicable income standards, and the specific waiver services to be provided. Total annual enrollment levels and the services to be provided shall be as specified in the waiver agreement or agreements with the federal government, subject to any conditions on appropriations for this purpose.

(2) If a nursing facility resident becomes eligible for home and community-based waiver service alternatives to nursing facility care, but chooses to continue to reside in a nursing facility, the department must allow that choice. However, if the resident is a medicaid recipient, the resident must require a nursing facility level of care.

(3) If a recipient of home and community-based waiver services may continue to receive home and community-based waiver services, despite an otherwise disqualifying level of income, but chooses to seek admission to a nursing facility, the department must allow that choice. However, if the resident is a medicaid recipient, the resident must require a nursing facility level of care.

(4) The department will fully disclose to all individuals eligible for waiver services under this section the services available in different long-term care settings.

Passed the House April 18, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 270

[Engrossed House Bill 1407]

TAXATION—FUEL

AN ACT Relating to the taxation of fuel; and amending RCW 82.36.010, 82.36.020, 82.36.026, 82.38.020, 82.36.060, 82.38.030, 82.38.035, and 82.38.110.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 82.36.010 and 1998 c 176 s 6 are each amended to read as follows:

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

(1) "Blended fuel" means a mixture of motor vehicle fuel and another liquid, other than a de minimus amount of the liquid, that can be used as a fuel to propel a motor vehicle.

(2) "Bond" means a bond duly executed with a corporate surety qualified under chapter 48.28 RCW, which bond is payable to the state of Washington conditioned upon faithful performance of all requirements of this chapter, including the payment of all taxes, penalties, and other obligations arising out of this chapter.

(3) "Bulk transfer" means a transfer of motor vehicle fuel by pipeline or vessel.

(4) "Bulk transfer-terminal system" means the motor vehicle fuel distribution system consisting of refineries, pipelines, vessels, and terminals. Motor vehicle fuel in a refinery, pipeline, vessel, or terminal is in the bulk transfer-terminal system. Motor vehicle fuel in the fuel tank of an engine, motor vehicle, or in a railcar, trailer, truck, or other equipment suitable for ground transportation is not in the bulk transfer-terminal system.

(5) "Dealer" means a person engaged in the retail sale of motor vehicle fuel.

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

(7) "Director" means the director of licensing.

(8) "Evasion" or "evade" means to diminish or avoid the computation, assessment, or payment of authorized taxes or fees through:

(a) A knowing: False statement; misrepresentation of fact; or other act of deception; or

(b) An intentional: Omission; failure to file a return or report; or other act of deception.

(9) "Export" means to obtain motor vehicle fuel in this state for sales or distribution outside the state.

(10) "Highway" means every way or place open to the use of the public, as a matter of right, for the purpose of vehicular travel.

(11) "Import" means to bring motor vehicle fuel into this state by a means of conveyance other than the fuel supply tank of a motor vehicle.

(12) "Licensee" means a person holding a license issued under this chapter.

(13) "Marine fuel dealer" means a person engaged in the retail sale of motor vehicle fuel whose place of business and/or sale outlet is located upon a navigable waterway.

(14) "Motor vehicle fuel blender" means a person who produces blended motor fuel outside the bulk transfer-terminal system.

(15) "Motor vehicle fuel distributor" means a person who acquires motor vehicle fuel from a supplier, distributor, or licensee for subsequent sale and distribution.

(16) "Motor vehicle fuel exporter" means a person who purchases motor vehicle fuel in this state and directly exports the fuel by a means other than the bulk transfer-terminal system to a destination outside of the state. If the exporter of record is acting as an agent, the person for whom the agent is acting is the exporter. If there is no exporter of record, the owner of the motor fuel at the time of exportation is the exporter.

(17) "Motor vehicle fuel importer" means a person who imports motor vehicle fuel into the state by a means other than the bulk transfer-terminal system. If the importer of record is acting as an agent, the person for whom the agent is acting is the importer. If there is no importer of record, the owner of the motor vehicle fuel at the time of importation is the importer.

(18) "Motor vehicle fuel supplier" means a person who ~~((owns and stores motor vehicle fuel in a terminal facility or who refines and stores motor vehicle fuel at a refinery))~~ holds a federal certificate of registry that is issued under the internal revenue code and authorizes the person to enter into federal tax-free transactions on motor vehicle fuel in the bulk transfer-terminal system.

(19) "Motor vehicle" means a self-propelled vehicle designed for operation upon land utilizing motor vehicle fuel as the means of propulsion.

(20) "Motor vehicle fuel" means gasoline and any other inflammable gas or liquid, by whatsoever name the gasoline, gas, or liquid may be known or sold, the chief use of which is as fuel for the propulsion of motor vehicles or motorboats.

(21) "Person" means a natural person, fiduciary, association, or corporation. The term "person" as applied to an association means and includes the partners or members thereof, and as applied to corporations, the officers thereof.

(22) "Position holder" means a person who holds the inventory position in motor vehicle fuel, as reflected by the records of the terminal operator. A person holds the inventory position in motor vehicle fuel if the person has a contractual agreement with the terminal for the use of storage facilities and terminating services at a terminal with respect to motor vehicle fuel. "Position holder" includes a terminal operator that owns motor vehicle fuel in their terminal.

(23) "Rack" means a mechanism for delivering motor vehicle fuel from a refinery or terminal into a truck, trailer, railcar, or other means of nonbulk transfer.

(24) "Refiner" means a person who owns, operates, or otherwise controls a refinery.

(25) "Removal" means a physical transfer of motor vehicle fuel other than by evaporation, loss, or destruction.

(26) "Terminal" means a motor vehicle fuel storage and distribution facility that has been assigned a terminal control number by the internal revenue service, is supplied by pipeline or vessel, and from which reportable motor vehicle fuel is removed at a rack.

(27) "Terminal operator" means a person who owns, operates, or otherwise controls a terminal.

(28) "Two-party exchange" or "buy-sell agreement" means a transaction in which taxable motor vehicle fuel is transferred from one licensed supplier to another licensed supplier under an exchange or buy-sell agreement whereby the supplier that is the position holder agrees to deliver taxable motor vehicle fuel to the other supplier or the other supplier's customer at the rack of the terminal at which the delivering supplier is the position holder.

Sec. 2. RCW 82.36.020 and 2000 c 103 s 13 are each amended to read as follows:

(1) There is hereby levied and imposed upon motor vehicle fuel users a tax at the rate computed in the manner provided in RCW 82.36.025 on each gallon of motor vehicle fuel.

(2) The tax imposed by subsection (1) of this section is imposed when any of the following occurs:

(a) Motor vehicle fuel is removed in this state from a terminal if the motor vehicle fuel is removed at the rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state;

(b) Motor vehicle fuel is removed in this state from a refinery if either of the following applies:

(i) The removal is by bulk transfer and the refiner or the owner of the motor vehicle fuel immediately before the removal is not a licensee; or

(ii) The removal is at the refinery rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state;

(c) Motor vehicle fuel enters into this state for sale, consumption, use, or storage if either of the following applies:

(i) The entry is by bulk transfer and the importer is not a licensee; or

(ii) The entry is not by bulk transfer;

(d) Motor vehicle fuel is sold or removed in this state to an unlicensed entity unless there was a prior taxable removal, entry, or sale of the motor vehicle fuel;

(e) Blended motor vehicle fuel is removed or sold in this state by the blender of the fuel. The number of gallons of blended motor vehicle fuel subject to the tax is the difference between the total number of gallons of blended motor vehicle fuel removed or sold and the number of gallons of previously taxed motor vehicle fuel used to produce the blended motor vehicle fuel;

(f) Motor vehicle fuel is sold by a licensed motor vehicle fuel supplier to a motor vehicle fuel distributor, motor vehicle fuel importer, or motor vehicle fuel blender and the motor vehicle fuel is not removed from the bulk transfer-terminal system.

(3) The proceeds of the motor vehicle fuel excise tax shall be distributed as provided in RCW 46.68.090.

Sec. 3. RCW 82.36.026 and 1998 c 176 s 8 are each amended to read as follows:

(1) A ~~((position holder))~~ licensed supplier shall remit tax to the department ~~((on motor vehicle fuel removed from a terminal))~~ as provided in RCW 82.36.020~~((2)(a))~~. On a two-party exchange, or buy-sell agreement between two licensed suppliers, the receiving exchange partner or buyer~~((, becomes the position holder,))~~ who shall remit the tax.

(2) A refiner shall remit tax to the department on motor vehicle fuel removed from a refinery as provided in RCW 82.36.020(2)(b).

(3) An importer shall remit tax to the department on motor vehicle fuel imported into this state as provided in RCW 82.36.020(2)(c).

(4) A blender shall remit tax to the department on the removal or sale of blended motor vehicle fuel as provided in RCW 82.36.020(2)(e).

Sec. 4. RCW 82.38.020 and 1998 c 176 s 50 are each amended to read as follows:

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

(1) "Blended special fuel" means a mixture of undyed diesel fuel and another liquid, other than a de minimus amount of the liquid, that can be used as a fuel to propel a motor vehicle.

(2) "Blender" means a person who produces blended special fuel outside the bulk transfer-terminal system.

(3) "Bond" means a bond duly executed with a corporate surety qualified under chapter 48.28 RCW, which bond is payable to the state of Washington conditioned upon faithful performance of all requirements of this chapter, including the payment of all taxes, penalties, and other obligations arising out of this chapter.

(4) "Bulk transfer-terminal system" means the special fuel distribution system consisting of refineries, pipelines, vessels, and terminals. Special fuel in a refinery, pipeline, vessel, or terminal is in the bulk transfer-terminal system. Special fuel in the fuel tank of an engine, motor vehicle, or in a railcar, trailer, truck, or other equipment suitable for ground transportation is not in the bulk transfer-terminal system.

(5) "Bulk transfer" means a transfer of special fuel by pipeline or vessel.

(6) "Bulk storage" means the placing of special fuel into a receptacle other than the fuel supply tank of a motor vehicle.

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

(8) "Dyed special fuel user" means a person authorized by the internal revenue code to operate a motor vehicle on the highway using dyed special fuel, in which the use is not exempt from the special fuel tax.

(9) "Evasion" or "evade" means to diminish or avoid the computation, assessment, or payment of authorized taxes or fees through:

(a) A knowing: False statement; misrepresentation of fact; or other act of deception; or

(b) An intentional: Omission; failure to file a return or report; or other act of deception.

(10) "Export" means to obtain special fuel in this state for sales or distribution outside the state.

(11) "Highway" means every way or place open to the use of the public, as a matter of right, for the purpose of vehicular travel.

(12) "Import" means to bring special fuel into this state by a means of conveyance other than the fuel supply tank of a motor vehicle.

(13) "International fuel tax agreement licensee" means a special fuel user operating qualified motor vehicles in interstate commerce and licensed by the department under the international fuel tax agreement.

(14) "Lessor" means a person: (a) Whose principal business is the bona fide leasing or renting of motor vehicles without drivers for compensation to the general public; and (b) who maintains established places of business and whose lease or rental contracts require the motor vehicles to be returned to the established places of business.

(15) "Licensee" means a person holding a license issued under this chapter.

(16) "Motor vehicle" means a self-propelled vehicle designed for operation upon land utilizing special fuel as the means of propulsion.

(17) "Natural gas" means naturally occurring mixtures of hydrocarbon gases and vapors consisting principally of methane, whether in gaseous or liquid form.

(18) "Person" means a natural person, fiduciary, association, or corporation. The term "person" as applied to an association means and includes the partners or members thereof, and as applied to corporations, the officers thereof.

(19) "Position holder" means a person who holds the inventory position in special fuel, as reflected by the records of the terminal operator. A person holds the inventory position in special fuel if the person has a contractual agreement with the terminal for the use of storage facilities and terminating services at a terminal with respect to special fuel. "Position holder" includes a terminal operator that owns special fuel in their terminal.

(20) "Rack" means a mechanism for delivering special fuel from a refinery or terminal into a truck, trailer, railcar, or other means of nonbulk transfer.

(21) "Refiner" means a person who owns, operates, or otherwise controls a refinery.

(22) "Removal" means a physical transfer of special fuel other than by evaporation, loss, or destruction.

(23) "Special fuel" means and includes all combustible gases and liquids suitable for the generation of power for propulsion of motor vehicles, except that it does not include motor vehicle fuel as defined in chapter 82.36 RCW, nor does it include dyed special fuel as defined by federal regulations. However, if the federal regulations authorize dyed special fuel to be used in highway vehicles, that usage is considered taxable under this chapter, unless otherwise exempted.

(24) "Special fuel distributor" means a person who acquires special fuel from a supplier, distributor, or licensee for subsequent sale and distribution.

(25) "Special fuel exporter" means a person who purchases special fuel in this state and directly exports the fuel by a means other than the bulk transfer-terminal system to a destination outside of the state.

(26) "Special fuel importer" means a person who imports special fuel into the state by a means other than the bulk transfer-terminal system. If the importer of record is acting as an agent, the person for whom the agent is acting is the importer. If there is no importer of record, the owner of the special fuel at the time of importation is the importer.

(27) "Special fuel supplier" means a person who ~~((owns and stores special fuel in a terminal facility or who refines and stores special fuel at a refinery))~~ holds a federal certificate issued under the internal revenue code and authorizes the person to tax-free transactions on special fuel in the bulk transfer-terminal system.

(28) "Special fuel user" means a person engaged in uses of special fuel that are not specifically exempted from the special fuel tax imposed under this chapter.

(29) "Terminal" means a special fuel storage and distribution facility that has been assigned a terminal control number by the internal revenue service, is supplied by pipeline or vessel, and from which reportable special fuel is removed at a rack.

(30) "Terminal operator" means a person who owns, operates, or otherwise controls a terminal.

(31) "Two-party exchange" or "buy-sell agreement" means a transaction in which taxable special fuel is transferred from one licensed supplier to another licensed supplier under an exchange or buy-sell agreement whereby the supplier that is the position holder agrees to deliver taxable special fuel to the other supplier or the other supplier's customer at the rack of the terminal at which the delivering supplier is the position holder.

Sec. 5. RCW 82.36.060 and 1998 c 176 s 18 are each amended to read as follows:

(1) An application for a license issued under this chapter shall be made to the department on forms to be furnished by the department and shall contain such information as the department deems necessary.

(2) Every application for a license must contain the following information to the extent it applies to the applicant:

(a) Proof as the department may require concerning the applicant's identity, including but not limited to his or her fingerprints or those of the officers of a corporation making the application;

(b) The applicant's form and place of organization including proof that the individual, partnership, or corporation is licensed to do business in this state;

(c) The qualification and business history of the applicant and any partner, officer, or director;

(d) The applicant's financial condition or history including a bank reference and whether the applicant or any partner, officer, or director has ever been adjudged bankrupt or has an unsatisfied judgment in a federal or state court;

(e) Whether the applicant has been adjudged guilty of a crime that directly relates to the business for which the license is sought and the time elapsed since the conviction is less than ten years, or has suffered a judgment within the preceding five years in a civil action involving fraud, misrepresentation, or conversion and in the case of a corporation or partnership, all directors, officers, or partners.

(3) An applicant for a license as a motor vehicle fuel importer must list on the application each state, province, or country from which the applicant intends to import motor vehicle fuel and, if required by the state, province, or country listed, must be licensed or registered for motor vehicle fuel tax purposes in that state, province, or country.

(4) An applicant for a license as a motor vehicle fuel exporter must list on the application each state, province, or country to which the exporter intends to export motor vehicle fuel received in this state by means of a transfer outside of the bulk transfer-terminal system and, if required by the state, province, or country listed, must be licensed or registered for motor vehicle fuel tax purposes in that state, province, or country.

(5) An applicant for a license as a motor vehicle fuel supplier must have a federal certificate of registry that is issued under the internal revenue code and authorizes the applicant to enter into federal tax-free transactions on motor vehicle fuel in the terminal transfer system.

(6) After receipt of an application for a license, the director may conduct an investigation to determine whether the facts set forth are true. The director shall require a fingerprint record check of the applicant through the Washington state patrol criminal identification system and the federal bureau of investigation before issuance of a license. The results of the background investigation including criminal history information may be released to authorized department personnel as the director deems necessary. The department shall charge a license holder or license applicant a fee of fifty dollars for each background investigation conducted.

An applicant who makes a false statement of a material fact on the application may be prosecuted for false swearing as defined by RCW 9A.72.040.

(7) Except as provided by subsection (8) of this section, before granting any license issued under this chapter, the department shall require applicant to file with the department, in such form as shall be prescribed by the department, a corporate surety bond duly executed by the applicant as principal, payable to the state and conditioned for faithful performance of all the requirements of this chapter, including the payment of all taxes, penalties, and other obligations arising out of this chapter. The total amount of the bond or bonds shall be fixed by the department and may be increased or reduced by the department at any time subject to the limitations herein provided. In fixing the total amount of the bond or bonds, the department shall require a bond or bonds equivalent in total amount to twice

the estimated monthly excise tax determined in such manner as the department may deem proper. If at any time the estimated excise tax to become due during the succeeding month amounts to more than fifty percent of the established bond, the department shall require additional bonds or securities to maintain the marginal ratio herein specified or shall demand excise tax payments to be made weekly or semimonthly to meet the requirements hereof.

The total amount of the bond or bonds required of any licensee shall never be less than five thousand dollars nor more than one hundred thousand dollars.

No recoveries on any bond or the execution of any new bond shall invalidate any bond and no revocation of any license shall effect the validity of any bond but the total recoveries under any one bond shall not exceed the amount of the bond.

In lieu of any such bond or bonds in total amount as herein fixed, a licensee may deposit with the state treasurer, under such terms and conditions as the department may prescribe, a like amount of lawful money of the United States or bonds or other obligations of the United States, the state, or any county of the state, of an actual market value not less than the amount so fixed by the department.

Any surety on a bond furnished by a licensee as provided herein shall be released and discharged from any and all liability to the state accruing on such bond after the expiration of thirty days from the date upon which such surety has lodged with the department a written request to be released and discharged, but this provision shall not operate to relieve, release, or discharge the surety from any liability already accrued or which shall accrue before the expiration of the thirty day period. The department shall promptly, upon receiving any such request, notify the licensee who furnished the bond; and unless the licensee, on or before the expiration of the thirty day period, files a new bond, or makes a deposit in accordance with the requirements of this section, the department shall forthwith cancel the license. Whenever a new bond is furnished by a licensee, the department shall cancel the old bond as soon as the department and the attorney general are satisfied that all liability under the old bond has been fully discharged.

The department may require a licensee to give a new or additional surety bond or to deposit additional securities of the character specified in this section if, in its opinion, the security of the surety bond theretofore filed by such licensee, or the market value of the properties deposited as security by the licensee, shall become impaired or inadequate; and upon the failure of the licensee to give such new or additional surety bond or to deposit additional securities within thirty days after being requested so to do by the department, the department shall forthwith cancel his or her license.

(8) The department may waive the requirements of subsection (7) of this section for licensed distributors if, upon determination by the department, the licensed distributor has sufficient resources, assets, other financial instruments, or other means, to adequately make payments on the estimated monthly motor vehicle fuel tax payments, penalties, and interest arising out of this chapter. The department shall adopt rules to administer this subsection.

Sec. 6. RCW 82.38.030 and 1998 c 176 s 51 are each amended to read as follows:

(1) There is hereby levied and imposed upon special fuel users a tax at the rate computed in the manner provided in RCW 82.36.025 on each gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature.

(2) The tax imposed by subsection (1) of this section is imposed when:

(a) Special fuel is removed in this state from a terminal if the special fuel is removed at the rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state, or the removal is to a special fuel distributor for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

(b) Special fuel is removed in this state from a refinery if either of the following applies:

(i) The removal is by bulk transfer and the refiner or the owner of the special fuel immediately before the removal is not a licensee; or

(ii) The removal is at the refinery rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state, or the removal is to a special fuel distributor for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

(c) Special fuel enters into this state for sale, consumption, use, or storage if either of the following applies:

(i) The entry is by bulk transfer and the importer is not a licensee; or

(ii) The entry is not by bulk transfer;

(d) Special fuel is ~~sold or~~ removed in this state to an unlicensed entity unless there was a prior taxable removal, entry, or sale of the special fuel;

(e) Blended special fuel is removed or sold in this state by the blender of the fuel. The number of gallons of blended special fuel subject to tax is the difference between the total number of gallons of blended special fuel removed or sold and the number of gallons of previously taxed special fuel used to ~~((produced~~ ~~{produce}))~~ produce the blended special fuel;

(f) Dyed special fuel is used on a highway, as authorized by the internal revenue code, unless the use is exempt from the special fuel tax; ~~((and))~~

(g) Special fuel purchased by an international fuel tax agreement licensee under RCW 82.38.320 is used on a highway; ~~and~~

~~(h) Special fuel is sold by a licensed special fuel supplier to a special fuel distributor, special fuel importer, or special fuel blender and the special fuel is not removed from the bulk transfer-terminal system.~~

(3) The tax imposed by this chapter, if required to be collected by the licensee, is held in trust by the licensee until paid to the department, and a licensee who appropriates or converts the tax collected to his or her own use or to any use other than the payment of the tax to the extent that the money required to be collected is not available for payment on the due date as prescribed in this chapter is guilty of

a felony, or gross misdemeanor in accordance with the theft and anticipatory provisions of Title 9A RCW. A person, partnership, corporation, or corporate officer who fails to collect the tax imposed by this section, or who has collected the tax and fails to pay it to the department in the manner prescribed by this chapter, is personally liable to the state for the amount of the tax.

Sec. 7. RCW 82.38.035 and 1998 c 176 s 53 are each amended to read as follows:

(1) A ~~((position holder))~~ licensed supplier shall remit tax on special fuel to the department ~~((on special fuel removed from a terminal))~~ as provided in RCW 82.38.030(2)(a). On a two-party exchange, or buy-sell agreement between two licensed suppliers, the receiving exchange partner or buyer ~~((becomes the position holder, who))~~ shall remit the tax.

(2) A refiner shall remit tax to the department on special fuel removed from a refinery as provided in RCW 82.38.030(2)(b).

(3) An importer shall remit tax to the department on special fuel imported into this state as provided in RCW 82.38.030(2)(c).

(4) A blender shall remit tax to the department on the removal or sale of blended special fuel as provided in RCW 82.38.030(2)(e).

(5) A dyed special fuel user shall remit tax to the department on the use of dyed special fuel as provided in RCW 82.38.030(2)(f).

Sec. 8. RCW 82.38.110 and 1998 c 176 s 63 are each amended to read as follows:

(1) Application for a license issued under this chapter shall be made to the department. The application shall be filed upon a form prepared and furnished by the department and shall contain such information as the department deems necessary.

(2) Every application for a special fuel license, other than an application for a dyed special fuel user or international fuel tax agreement license, must contain the following information to the extent it applies to the applicant:

(a) Proof as the department shall require concerning the applicant's identity, including but not limited to his or her fingerprints or those of the officers of a corporation making the application;

(b) The applicant's form and place of organization including proof that the individual, partnership, or corporation is licensed to do business in this state;

(c) The qualification and business history of the applicant and any partner, officer, or director;

(d) The applicant's financial condition or history including a bank reference and whether the applicant or any partner, officer, or director has ever been adjudged bankrupt or has an unsatisfied judgment in a federal or state court;

(e) Whether the applicant has been adjudged guilty of a crime that directly relates to the business for which the license is sought and the time elapsed since the conviction is less than ten years, or has suffered a judgment within the preceding

five years in a civil action involving fraud, misrepresentation, or conversion and in the case of a corporation or partnership, all directors, officers, or partners.

(3) An applicant for a license as a special fuel importer must list on the application each state, province, or country from which the applicant intends to import fuel and, if required by the state, province, or country listed, must be licensed or registered for special fuel tax purposes in that state, province, or country.

(4) An applicant for a license as a special fuel exporter must list on the application each state, province, or country to which the exporter intends to export special fuel received in this state by means of a transfer outside the bulk transfer-terminal system and, if required by the state, province, or country listed, must be licensed or registered for special fuel tax purposes in that state, province, or country.

(5) An applicant for a license as a special fuel supplier must have a federal certificate of registry that is issued under the internal revenue code and authorizes the applicant to enter into federal tax-free transactions on special fuel in the terminal transfer system.

(6) After receipt of an application for a license, the director shall conduct an investigation to determine whether the facts set forth are true. The director shall require a fingerprint record check of the applicant through the Washington state patrol criminal identification system and the federal bureau of investigation before issuance of a license. The results of the background investigation including criminal history information may be released to authorized department personnel as the director deems necessary. The department shall charge a license holder or license applicant a fee of fifty dollars for each background investigation conducted.

(7) An applicant who makes a false statement of a material fact on the application may be prosecuted for false swearing as defined by RCW 9A.72.040.

(8) A special fuel license may not be issued to any person or continued in force unless such person has furnished bond, as defined in RCW 82.38.020, in such form as the department may require, to secure his or her compliance with this chapter, and the payment of any and all taxes, interest, and penalties due and to become due hereunder. The requirement of furnishing a bond may be waived: (a) For special fuel distributors who only deliver special fuel into the fuel tanks of marine vessels(;-); (b) for dyed special fuel users ((and)); (c) for persons issued licenses under the international fuel tax agreement; or (d) for licensed special fuel distributors who, upon determination by the department, have sufficient resources, assets, other financial instruments, or other means to adequately make payments on the estimated monthly motor vehicle fuel tax payments, penalties, and interest arising out of this chapter. The department shall adopt rules to administer this section.

(9) The department may require a licensee to post a bond if the licensee, after having been licensed, has failed to file timely reports or has failed to remit taxes due, or when an investigation or audit indicates problems severe enough that the

department, in its discretion, determines that a bond is required to protect the interests of the state. The department may also adopt rules prescribing conditions that, in the department's discretion, require a bond to protect the interests of the state.

(10) The total amount of the bond or bonds required of any licensee shall be equivalent to three times the estimated monthly fuel tax, determined in such manner as the department may deem proper: **PROVIDED**, That those licensees having held a special fuel license for five or more years without having said license suspended or revoked by the department shall be permitted to reduce the amount of their bond to twice the estimated monthly tax liability: **PROVIDED FURTHER**, That the total amount of the bond or bonds shall never be less than five hundred dollars nor more than one hundred thousand dollars.

(11) An application for a dyed special fuel user license must be made to the department. The application must be filed upon a form prescribed by the department and contain such information as the department deems necessary.

(12) An application for an international fuel tax agreement license must be made to the department. The application must be filed upon a form prescribed by the department and contain such information as the department may require.

Passed the House March 9, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 271

[Substitute House Bill 1545]

NONPROFIT ORGANIZATIONS

AN ACT Relating to nonprofit organizations; amending RCW 24.06.005, 24.06.025, 24.06.030, 24.06.035, 24.06.100, 24.06.110, 24.06.115, 24.06.150, 24.06.185, 24.06.190, 24.06.195, 24.06.245, 24.06.250, and 24.06.255; and adding a new section to chapter 24.06 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 24.06.005 and 2000 c 167 s 1 are each amended to read as follows:

As used in this chapter, unless the context otherwise requires, the term:

(1) "Corporation" or "domestic corporation" means a mutual corporation or miscellaneous corporation subject to the provisions of this chapter, except a foreign corporation.

(2) "Foreign corporation" means a mutual or miscellaneous corporation or other corporation organized under laws other than the laws of this state which would be subject to the provisions of this chapter if organized under the laws of this state.

(3) "Mutual corporation" means a corporation organized to accomplish one or more of its purposes on a mutual basis for members and other persons.

(4) "Miscellaneous corporation" means any corporation which is organized for a purpose or in a manner not provided for by the Washington business corporation act or by the Washington nonprofit corporation act, and which is not required to be organized under other laws of this state.

(5) "Articles of incorporation" includes the original articles of incorporation and all amendments thereto, and includes articles of merger.

(6) "Bylaws" means the code or codes of rules adopted for the regulation or management of the affairs of the corporation irrespective of the name or names by which such rules are designated.

(7) "Member" means one having membership rights in a corporation in accordance with provisions of its articles of incorporation or bylaws.

(8) "Stock" or "share" means the units into which the proprietary interests of a corporation are divided in a corporation organized with stock.

(9) "Stockholder" or "shareholder" means one who is a holder of record of one or more shares in a corporation organized with stock.

(10) "Board of directors" means the group of persons vested with the management of the affairs of the corporation irrespective of the name by which such group is designated.

(11) "Insolvent" means inability of a corporation to pay debts as they become due in the usual course of its affairs.

(12) "Duplicate originals" means two copies, original or otherwise, each with original signatures, or one original with original signatures and one copy thereof.

(13) "Conforms to law" as used in connection with duties of the secretary of state in reviewing documents for filing under this chapter, means the secretary of state has determined the document complies as to form with the applicable requirements of this chapter.

(14) "Effective date" means, in connection with a document filing made by the secretary of state, the date which is shown by affixing a "filed" stamp on the documents. When a document is received for filing by the secretary of state in a form which complies with the requirements of this chapter and which would entitle the document to be filed immediately upon receipt, but the secretary of state's approval action occurs subsequent to the date of receipt, the secretary of state's filing date shall relate back to the date on which the secretary of state first received the document in acceptable form. An applicant may request a specific effective date no more than thirty days later than the receipt date which might otherwise be applied as the effective date.

(15) "Executed by an officer of the corporation," or words of similar import, means that any document signed by such person shall be and is signed by that person under penalties of perjury and in an official and authorized capacity on behalf of the corporation or person making the document submission with the secretary of state.

(16) "An officer of the corporation" means, in connection with the execution of documents submitted for filing with the secretary of state, the president, a vice president, the secretary, or the treasurer of the corporation.

(17) "Electronic transmission" or "electronically transmitted" means any process of electronic communication not directly involving the physical transfer of paper that is suitable for the retention, retrieval, and reproduction of the transmitted information by the recipient. However, such an electronic transmission must either set forth or be submitted with information, including any security or validation controls used, from which it can reasonably be determined that the electronic transmission was authorized by, as applicable, the corporation or shareholder or member by or on behalf of which the electronic transmission was sent.

(18) "Consumer cooperative" means a corporation engaged in the retail sale, to its members and other consumers, of goods or services of a type that are generally for personal, living, or family use.

Sec. 2. RCW 24.06.025 and 1987 c 212 s 708 are each amended to read as follows:

The articles of incorporation shall set forth:

- (1) The name of the corporation.
- (2) The period of duration, which may be perpetual or for a stated number of years.
- (3) The purpose or purposes for which the corporation is organized.
- (4) The qualifications and the rights and responsibilities of the members and the manner of their election, appointment or admission to membership and termination of membership; and, if there is more than one class of members or if the members of any one class are not equal, the relative rights and responsibilities of each class or each member.
- (5) If the corporation is to have capital stock:
 - (a) The aggregate number of shares which the corporation shall have authority to issue; if such shares are to consist of one class only, the par value of each of such shares, or a statement that all of such shares are without par value; or, if such shares are to be divided into classes, the number of shares of each class, and a statement of the par value of the shares of each such class or that such shares are to be without par value;
 - (b) If the shares are to be divided into classes, the designation of each class and a statement of the preferences, limitations and relative rights in respect of the shares of each class;
 - (c) If the corporation is to issue the shares of any preferred or special class in series, then the designation of each series and a statement of the variations in the relative rights and preferences as between series insofar as the same are to be fixed in the articles of incorporation, and a statement of any authority to be vested in the board of directors to establish series and fix and determine the variations in the relative rights and preferences as between series;

(d) Any provision limiting or denying to shareholders the preemptive right to acquire additional shares of the corporation.

(6) If the corporation is to distribute surplus funds to its members, stockholders or other persons, provisions for determining the amount and time of the distribution.

(7) Provisions for distribution of assets on dissolution or final liquidation.

(8) Whether a dissenting shareholder or member shall be limited to a return of less than the fair value of his shares or membership.

(9) ~~((Any provisions, not inconsistent with law, which the incorporators elect to set forth in the articles of incorporation for the regulation of the internal affairs of the corporation:~~

~~—((10)))~~ The address of its initial registered office, including street and number, and the name of its initial registered agent at such address.

~~((11)))~~ (10) The number of directors constituting the initial board of directors, and the names and addresses of the persons who are to serve as the initial directors.

~~((12)))~~ (11) The name and address of each incorporator.

~~((13)))~~ (12) Any provision, not inconsistent with law, ~~((which the incorporators elect to set forth in the articles of incorporation))~~ for the regulation of the internal affairs of the association, including ~~((provisions regarding))~~:

(a) ~~((Eliminating or limiting the personal liability of a director to the association or its members for monetary damages for conduct as a director PROVIDED, That such provision shall not eliminate or limit the liability of a director for acts or omissions that involve intentional misconduct by a director or a knowing violation of law by a director, or for any transaction from which the director will personally receive a benefit in money, property, or services to which the director is not legally entitled. No such provision may eliminate or limit the liability of a director for any act or omission occurring before the date when such provision becomes effective))~~ Overriding the release from liability provided in RCW 24.06.035(2); and

(b) Any provision which under this title is required or permitted to be set forth in the bylaws.

It shall not be necessary to set forth in the articles of incorporation any of the corporate powers enumerated in this chapter.

Unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment to the articles of incorporation, a change in the number of directors made by amendment to the bylaws shall be controlling. In all other cases, whenever a provision of the articles of incorporation is inconsistent with a bylaw, the provision of the articles of incorporation shall be controlling.

Sec. 3. RCW 24.06.030 and 1969 ex.s. c 120 s 6 are each amended to read as follows:

Each corporation shall have power:

(1) To have perpetual succession by its corporate name unless a limited period of duration is stated in its articles of incorporation.

(2) To sue and be sued, complain and defend, in its corporate name.

(3) To have a corporate seal which may be altered at pleasure, and to use the same by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

(4) To purchase, take, receive, lease, take by gift, devise or bequest, or otherwise acquire, own, hold, be trustee of, improve, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated.

(5) To sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets.

(6) To lend money to its employees.

(7) To purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise dispose of, and otherwise use and deal in and with, shares or other interests in, or obligations of, other domestic or foreign corporations, whether for profit or not for profit, associations, partnerships or individuals, or direct or indirect obligations of the United States, or of any other government, state, territory, governmental district or municipality or of any instrumentality thereof.

(8) To make contracts and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of all or any of its property, franchises and income.

(9) To lend money for its corporate purposes, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested.

(10) To conduct its affairs, carry on its operations, and have offices and exercise the powers granted by this chapter, in any state, territory, district, or possession of the United States, or in any foreign country.

(11) To elect or appoint officers and agents of the corporation, and define their duties and fix their compensation.

(12) To make and alter bylaws, not inconsistent with its articles of incorporation or with the laws of this state, for the administration and regulation of the affairs of the corporation.

(13) To establish and maintain reserve, equity, surplus or other funds, and to provide for the time, form and manner of distribution of such funds among members, shareholders or other persons with interests therein in accordance with the articles of incorporation.

(14) Unless otherwise provided in the articles of incorporation, to make donations for the public welfare or for charitable, scientific or educational purposes, and in time of war to make donations in aid of the United States and its war activities.

(15) To indemnify any director or officer or former director or officer of the corporation, or any person who may have served at its request as a director or officer of another corporation, against expenses actually and necessarily incurred by him or her in connection with the defense of any action, suit or proceeding in which he or she is made a party by reason of being or having been such director or officer, except ~~((in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty))~~ for acts or omissions that involve intentional misconduct or a knowing violation of law by the director or officer, or that involve a transaction from which the director or officer will personally receive a benefit in money, property, or services to which the director or officer is not legally entitled: PROVIDED, That such indemnification shall not be deemed exclusive of any other rights to which such director or officer may be entitled, under any bylaw, agreement, vote of board of directors or members or shareholders, or otherwise.

(16) To cease its corporate activities and surrender its corporate franchise.

(17) To have and exercise all powers necessary or convenient to effect any or all of the purposes for which the corporation is organized and not inconsistent with the articles of incorporation or the provisions of this chapter.

Sec. 4. RCW 24.06.035 and 1987 c 212 s 709 are each amended to read as follows:

(1) A corporation subject to the provisions of this chapter shall not engage in any business, trade, a vocation or profession for profit: PROVIDED, That nothing contained herein shall be construed to forbid such a corporation from accumulating reserve, equity, surplus or other funds through subscriptions, fees, dues or assessments, or from charges made its members or other persons for services rendered or supplies or benefits furnished, or from distributing its surplus funds to its members, stockholders or other persons in accordance with the provisions of the articles of incorporation. A member of the board of directors or an officer of such a corporation shall have the same immunity from liability as is granted in RCW 4.24.264.

(2) Unless the articles of incorporation provide otherwise, a member of the board of directors or an officer of the corporation is not individually liable to the corporation or its shareholders or members in their capacity as shareholders or members for conduct within his or her official capacity as a director or officer after the effective date of this subsection except for acts or omissions that involve intentional misconduct or a knowing violation of the law, or that involve a transaction from which the director or officer will personally receive a benefit in money, property, or services to which the director or officer is not legally entitled. Nothing in this subsection may be construed to limit or modify in any manner the power of the attorney general to bring an action on behalf of the public to enjoin, correct, or otherwise remedy a breach of a charitable trust by a corporation or its directors or officers.

Sec. 5. RCW 24.06.100 and 1969 ex.s. c 120 s 20 are each amended to read as follows:

Meetings of members and/or shareholders may be held at such place, either within or without this state, as may be provided in the bylaws. In the absence of any such provision, all meetings shall be held at the registered office of the corporation in this state.

An annual meeting of the members and shareholders shall be held at such time as may be provided in the bylaws. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the corporation.

Special meetings of the members or shareholders may be called by the president or by the board of directors. Special meetings of the members or shareholders may also be called by such other officers or persons or number or proportion of members or shareholders as may be provided in the articles of incorporation or the bylaws. In the absence of a provision fixing the number or proportion of members or shareholders entitled to call a meeting, a special meeting of members or shareholders may be called by persons having one-twentieth of the votes entitled to be cast at such meeting. Only business within the purpose or purposes described in the meeting notice required by RCW 24.06.105 may be conducted at a special meeting.

If the articles of incorporation or bylaws so provide, members or shareholders may participate in any meeting of members or shareholders by any means of communication by which all persons participating in the meeting can hear each other during the meeting. A member or shareholder participating in a meeting by this means is deemed to be present in person at the meeting.

Sec. 6. RCW 24.06.110 and 2000 c 167 s 4 are each amended to read as follows:

The right of a class or classes of members or shareholders to vote may be limited, enlarged or denied to the extent specified in the articles of incorporation. Unless so limited, enlarged or denied, each member and each outstanding share of each class shall be entitled to one vote on each matter submitted to a vote of members or shareholders. No member of a class may acquire any interest which will entitle him or her to a greater vote than any other member of the same class.

A member or shareholder may vote in person or, unless the articles of incorporation or the bylaws otherwise provide, may vote by mail, by electronic transmission, or by proxy executed in writing by the member or shareholder or by his or her duly authorized attorney-in-fact: PROVIDED, That no proxy shall be valid for more than eleven months from the date of its execution unless otherwise specified in the proxy.

If a member or shareholder may vote by proxy, the proxy may be given by:

(1) Executing a writing authorizing another person or persons to act for the member or shareholder as proxy. Execution may be accomplished by the member or shareholder or the member's or shareholder's authorized officer, director, employee, or agent signing the writing or causing his or her signature to be affixed

to the writing by any reasonable means including, but not limited to, facsimile signature; or

(2) Authorizing another person or persons to act for the member or shareholder as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy, or to a proxy solicitation firm, proxy support service organization, or like agent duly authorized by the person who will be the holder of the proxy to receive the transmission. If it is determined that the electronic transmissions are valid, the inspector of election or, if there are no inspectors, any other officer or agent of the corporation making that determination on behalf of the corporation shall specify the information upon which they relied. The corporation shall require the holders of proxies received by electronic transmission to provide to the corporation copies of the electronic transmission and the corporation shall retain copies of the electronic transmission for a reasonable period of time.

If specifically permitted by the articles of incorporation ((may provide that) or bylaws, whenever proposals or directors or officers are to be voted upon, such vote may be taken by mail or by electronic transmission if the name of each candidate and the text of each proposal to be so voted upon are set forth in a writing accompanying or contained in the notice of meeting. Persons voting by mail or by electronic transmission shall be deemed present for all purposes of quorum, count of votes and percentages of total voting power voting.

The articles of incorporation or the bylaws may provide that in all elections for directors every person entitled to vote shall have the right to cumulate his or her vote and to give one candidate a number of votes equal to his or her vote multiplied by the number of directors to be elected, or by distributing such votes on the same principle among any number of such candidates.

Sec. 7. RCW 24.06.115 and 2000 c 167 s 5 are each amended to read as follows:

The articles of incorporation or the bylaws may provide the number or percentage of votes which members or shareholders are entitled to cast in person, by mail, by electronic transmission, or by proxy, which shall constitute a quorum at meetings of shareholders or members. However, in no event shall a quorum be less than one-fourth, or in the case of consumer cooperatives, five percent, of the votes which members or shareholders are entitled to cast in person, by mail, by electronic transmission, or by proxy, at a meeting considering the adoption of a proposal which is required by the provisions of this chapter to be adopted by at least two-thirds of the votes which members or shareholders present at the meeting in person or by mail, by electronic transmission, or represented by proxy are entitled to cast. In all other matters and in the absence of any provision in the articles of incorporation or bylaws, a quorum shall consist of one-fourth, or in the case of consumer cooperatives, five percent, of the votes which members or shareholders are entitled to cast in person, by mail, by electronic transmission, or by proxy at the meeting. On any proposal on which a class of shareholders or

members is entitled to vote as a class, a quorum of the class entitled to vote as such class must also be present in person, by mail, by electronic transmission, or represented by proxy.

Sec. 8. RCW 24.06.150 and 1969 ex.s. c 120 s 30 are each amended to read as follows:

Meetings of the board of directors, regular or special, may be held either within or without this state, and upon such notice as the bylaws may prescribe. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

~~Unless the articles of incorporation or bylaws provide otherwise, any or all directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating can hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.~~

NEW SECTION. Sec. 9. A new section is added to chapter 24.06 RCW to read as follows:

(1) A director shall discharge the duties of a director, including duties as a member of a committee, and an officer with discretionary authority shall discharge the officer's duties under that authority:

- (a) In good faith;
- (b) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (c) In a manner the director or officer reasonably believes to be in the best interests of the corporation.

(2) In discharging the duties of a director or an officer, a director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

(a) One or more officers or employees of the corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented; or

(b) Legal counsel, public accountants, or other persons as to matters the director or officer reasonably believes are within the person's professional or expert competence.

In addition, a director is entitled to rely on a committee of the board of directors of which the director is not a member if the director reasonably believes the committee merits confidence.

(3) A director or an officer is not acting in good faith if the director or officer has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (2) of this section unwarranted.

(4) A director or officer is not liable for any action taken as a director or as an officer, or any failure to take any action, if the director or officer performed the duties of the director's or officer's office in compliance with this section.

Sec. 10. RCW 24.06.185 and 1969 ex.s. c 120 s 37 are each amended to read as follows:

A corporation may amend its articles of incorporation from time to time in any and as many respects as may be desired, so long as its articles of incorporation as amended contain only such provisions as are lawful under this chapter. A member or shareholder of a corporation does not have a vested property right resulting from any provision in the articles of incorporation.

Sec. 11. RCW 24.06.190 and 2000 c 167 s 6 are each amended to read as follows:

Amendments to the articles of incorporation shall be made in the following manner:

A corporation's board of directors may amend the articles of incorporation to change the name of the corporation, without seeking member or shareholder approval. With respect to amendments other than to change the name of the corporation, the board of directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of members and shareholders, which may be either an annual or a special meeting. Written or printed notice or, if specifically permitted by the articles of incorporation or bylaws of the corporation, notice by electronic transmission, setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each member and shareholder entitled to vote at such meeting within the time and in the manner provided in this chapter for the giving of notice of meetings of members and shareholders. The proposed amendment shall be adopted upon receiving at least two-thirds of the votes which members or shareholders present in person or by mail or by electronic transmission at such meeting or represented by proxy are entitled to cast: PROVIDED, That when any class of shares or members is entitled to vote thereon by class, the proposed amendment must receive at least two-thirds of the votes of the members or shareholders of each class entitled to vote thereon as a class, who are present in person, by mail, by electronic transmission, or represented by proxy at such meeting.

Any number of amendments may be submitted and voted upon at any one meeting.

Sec. 12. RCW 24.06.195 and 2000 c 167 s 7 are each amended to read as follows:

The articles of amendment shall be executed in duplicate originals by the corporation by an officer of the corporation, and shall set forth:

- (1) The name of the corporation.
- (2) Any amendment so adopted.

(3) If an amendment was adopted by the board of directors without being submitted for member or shareholder action, a statement to that effect and that member or shareholder action was not required; or a statement setting forth the date of the meeting of members and shareholders at which the amendment was adopted, that a quorum was present at such meeting, and that such amendment received at least two-thirds of the votes which members or shareholders of the corporation, and of each class entitled to vote thereon as a class, present at such meeting in person, by mail, by electronic transmission, or represented by proxy were entitled to cast, or a statement that such amendment was adopted by a consent in writing signed by all members and shareholders entitled to vote with respect thereto.

Sec. 13. RCW 24.06.245 and 1969 ex.s. c 120 s 49 are each amended to read as follows:

Any member or shareholder of a corporation shall have the right to dissent from any of the following corporate actions:

(1) Any plan of merger or consolidation to which the corporation is a party other than a merger or consolidation in which all members or shareholders of the corporation have the right to continue their membership or shareholder status in the surviving corporation on substantially similar terms; or

(2) Any sale or exchange of all or substantially all of the property and assets of the corporation not made in the usual and regular course of its business, including a sale in dissolution, but not including a sale pursuant to an order of a court having jurisdiction in the premises or a sale for cash on terms requiring that all or substantially all of the net proceeds of sale be distributed to the shareholders in accordance with their respective interests within one year after the date of sale; or

(3) Any amendment to the articles of incorporation (~~which changes voting or property rights of members or shareholders other than by changing the number of memberships or shares or classes of either thereof~~) that materially reduces the number of shares owned by a shareholder to a fraction of a share if the fractional share is to be acquired by the corporation for cash; or

(4) (~~Any amendment to the articles of incorporation which reorganizes a corporation under the provisions of this chapter~~) Any corporate action taken pursuant to a member or shareholder vote to the extent that the articles of incorporation, bylaws, or a resolution of the board of directors provides that voting or nonvoting members or shareholders are entitled to dissent and obtain payment for their membership or shares.

A member or shareholder entitled to dissent and obtain payment for the member's or shareholder's membership interest or shares under this chapter may not challenge the corporate action creating the member's or shareholder's entitlement unless the action fails to comply with the procedural requirements imposed by this title, the articles of incorporation, or the bylaws, or is fraudulent with respect to the member or shareholder or the corporation.

The provisions of this section shall not apply to the members or shareholders of the surviving corporation in a merger if such corporation is on the date of the filing of the articles of merger the owner of all the outstanding shares of the other corporations, domestic or foreign, which are parties to the merger(~~(, or if a vote of the members and shareholders of such corporation is not necessary to authorize such merger)).~~

The meeting notice for any meeting at which a proposed corporate action creating dissenters' rights is submitted to a vote must state that members or shareholders are or may be entitled to assert dissenters' rights and be accompanied by a copy of RCW 24.06.250.

Sec. 14. RCW 24.06.250 and 2000 c 167 s 11 are each amended to read as follows:

Any member or shareholder electing to exercise such right of dissent shall file with the corporation, prior to or at the meeting of members and shareholders at which such proposed corporate action is submitted to a vote, a written objection to such proposed corporate action. If such proposed corporate action be approved by the required vote and such member or shareholder shall not have voted in favor thereof, such member or shareholder may, within ten days after the date on which the vote was taken, (~~(or if a corporation is to be merged without a vote of its members and shareholders into another corporation, any other members or shareholders may, within fifteen days after the plan of such merger shall have been mailed or sent by electronic transmission to such members and shareholders,))~~) make written demand on the corporation, or, in the case of a merger or consolidation, on the surviving or new corporation, domestic or foreign, for payment of the fair value of such member's membership or of such shareholder's shares, and, if such proposed corporate action is effected, such corporation shall pay to such member, upon surrender of his or her membership certificate, if any, or to such shareholder, upon surrender of the certificate or certificates representing such shares, the fair value thereof as of the day prior to the date on which the vote was taken approving the proposed corporate action, excluding any appreciation or depreciation in anticipation of such corporate action. Any member or shareholder failing to make demand within the ten day period shall be bound by the terms of the proposed corporate action. Any member or shareholder making such demand shall thereafter be entitled only to payment as in this section provided and shall not be entitled to vote or to exercise any other rights of a member or shareholder.

No such demand shall be withdrawn unless the corporation shall consent thereto. The right of such member or shareholder to be paid the fair value of his or her membership or shares shall cease and his or her status as a member or shareholder shall be restored, without prejudice to any corporate proceedings which may have been taken during the interim, if:

- (1) Such demand shall be withdrawn upon consent; or
- (2) The proposed corporate action shall be abandoned or rescinded or the members or shareholders shall revoke the authority to effect such action; or

(3) In the case of a merger, on the date of the filing of the articles of merger the surviving corporation is the owner of all the outstanding shares of the other corporations, domestic and foreign, that are parties to the merger; or

(4) ~~((No demand or petition for the determination of fair value by a court shall have been made or filed within the time provided by this section; or~~

~~—(5)))~~ A court of competent jurisdiction shall determine that such member or shareholder is not entitled to the relief provided by this section.

Within ten days after such corporate action is effected, the corporation, or, in the case of a merger or consolidation, the surviving or new corporation, domestic or foreign, shall give written notice thereof to each dissenting member or shareholder who has made demand as herein provided, and shall make a written offer to each such member or shareholder to pay for such shares or membership at a specified price deemed by such corporation to be the fair value thereof. Except in cases where the fair value payable to dissenters is fixed in the articles of incorporation or pursuant to RCW 24.06.255, such notice and offer shall be accompanied by a balance sheet of the corporation in which the member ~~((has))~~ holds his or her membership or ~~((the shares of which))~~ the dissenting shareholder holds shares, as of the latest available date and not more than twelve months prior to the making of such offer, and a profit and loss statement of such corporation for the twelve months' period ended on the date of such balance sheet.

If the fair value payable to dissenting members or shareholders is fixed in the articles of incorporation or pursuant to RCW 24.06.255, or if within thirty days after the date on which such corporate action was effected the fair value of such shares or membership is agreed upon between any such dissenting member or shareholder and the corporation, payment therefor shall be made within ninety days after the date on which such corporate action was effected, upon surrender of the membership certificate, if any, or upon surrender of the certificate or certificates representing such shares. Upon payment of the agreed value the dissenting member or shareholder shall cease to have any interest in such membership or shares.

If the fair value payable to dissenting members or shareholders is not fixed in the articles of incorporation or pursuant to RCW 24.06.025, and within such period of thirty days a dissenting member or shareholder and the corporation do not so agree, then the dissenting member or shareholder shall be entitled to make written demand to the corporation, ~~((within thirty days after receipt of written demand from any dissenting member or shareholder given))~~ within sixty days after the date on which such corporate action was effected, requesting that the corporation petition for a determination of the fair value by a court. If such a demand is not timely made on the corporation, the right of such member or shareholder to demand to be paid the fair value of his or her membership or shares shall be forfeited. Within thirty days after receipt of such a written demand from any dissenting member or shareholder, the corporation shall, or at its election at any time within ~~((such period of sixty))~~ ninety days after the date on which such

corporate action was effected may, file a petition in any court of competent jurisdiction in the county in this state where the registered office of the corporation is located praying that the fair value of such membership or shares be found and determined. If, in the case of a merger or consolidation, the surviving or new corporation is a foreign corporation without a registered office in this state, such petition shall be filed in the county where the registered office of the domestic corporation was last located. If the corporation shall fail to institute the proceeding as herein provided, any dissenting member or shareholder may do so in the name of the corporation. All dissenting members and shareholders, wherever residing, shall be made parties to the proceeding as an action against their memberships or shares quasi in rem. A copy of the petition shall be served on each dissenting member and shareholder who is a resident of this state and shall be served by registered or certified mail on each dissenting member or shareholder who is a nonresident. Service on nonresidents shall also be made by publication as provided by law. The jurisdiction of the court shall be plenary and exclusive. All members and shareholders who are parties to the proceeding shall be entitled to judgment against the corporation for the amount of the fair value of their shares. The court may, if it so elects, appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers shall have such power and authority as shall be specified in the order of their appointment or an amendment thereof. The judgment shall be payable only upon and concurrently with the surrender to the corporation of the membership certificate, if any, or of the certificate or certificates representing such shares. Upon payment of the judgment, the dissenting shareholder or member shall cease to have any interest in such shares or membership.

The judgment shall include an allowance for interest at such rate as the court may find to be fair and equitable in all the circumstances, from the date on which the vote was taken on the proposed corporate action to the date of payment.

The costs and expenses of any such proceeding shall be determined by the court and shall be assessed against the corporation, but all or any part of such costs and expenses may be apportioned and assessed as the court may deem equitable against any or all of the dissenting members and shareholders who are parties to the proceeding to whom the corporation shall have made an offer to pay for membership or shares if the court shall find that the action of such members or shareholders in failing to accept such offer was arbitrary or vexatious or not in good faith. Such expenses shall include reasonable compensation for and reasonable expenses of the appraisers, but shall exclude the fees and expenses of counsel for and experts employed by any party; but if the fair value of the memberships or shares as determined materially exceeds the amount which the corporation offered to pay therefor, or if no offer was made, the court in its discretion may award to any member or shareholder who is a party to the proceeding such sum as the court may determine to be reasonable compensation to any expert or experts employed by the member or shareholder in the proceeding.

Within twenty days after demanding payment for his or her shares or membership, each member and shareholder demanding payment shall submit the certificate or certificates representing his or her membership or shares to the corporation for notation thereon that such demand has been made. His or her failure to do so shall, at the option of the corporation, terminate his or her rights under this section unless a court of competent jurisdiction, for good and sufficient cause shown, shall otherwise direct. If membership or shares represented by a certificate on which notation has been so made shall be transferred, each new certificate issued therefor shall bear a similar notation, together with the name of the original dissenting holder of such membership or shares, and a transferee of such membership or shares shall acquire by such transfer no rights in the corporation other than those which the original dissenting member or shareholder had after making demand for payment of the fair value thereof.

Sec. 15. RCW 24.06.255 and 1969 ex.s. c 120 s 51 are each amended to read as follows:

Notwithstanding any provision in this chapter for the payment of fair value to a dissenting member or shareholder, (1) the articles of incorporation may provide that a dissenting member or shareholder shall be limited to a return of a lesser amount, but in no event shall a dissenting member or shareholder be limited to a return of less than the consideration paid to the corporation for the membership or shares which he or she holds unless the fair value of the membership or shares is less than the consideration paid to the corporation, and (2) the fair value payable to a dissenting member of a consumer cooperative shall be a fixed amount equal to the consideration paid to the corporation for the member's current membership unless the articles of incorporation expressly provide for a greater or lesser amount.

Passed the House April 16, 2001.

Passed the Senate April 9, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 272

[House Bill 1581]

MOTOR VEHICLE DEALERS AND MANUFACTURERS

AN ACT Relating to licensing of motor vehicle dealers and manufacturers; amending RCW 46.70.005, 46.70.011, 46.70.051, 46.70.090, 46.70.101, 46.70.120, 46.70.122, 46.70.130, 46.70.180, 46.70.900, and 46.70.070; reenacting and amending RCW 46.70.041; adding a new section to chapter 46.70 RCW; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.70.005 and 1986 c 241 s 1 are each amended to read as follows:

The legislature finds and declares that the distribution (~~and~~), sale, and lease of vehicles in the state of Washington vitally affects the general economy of the state and the public interest and the public welfare, and that in order to promote the

public interest and the public welfare, and in the exercise of its police power, it is necessary to regulate and license vehicle manufacturers, distributors, or wholesalers and factory or distributor representatives, and to regulate and license dealers of vehicles doing business in Washington, in order to prevent frauds, impositions, and other abuses upon its citizens and to protect and preserve the investments and properties of the citizens of this state.

Sec. 2. RCW 46.70.011 and 1998 c 46 s 1 are each amended to read as follows:

As used in this chapter:

(1) "Vehicle" means and includes every device capable of being moved upon a public highway and in, upon, or by which any persons or property is or may be transported or drawn upon a public highway, excepting devices moved by human or animal power or used exclusively upon stationary rails or tracks.

(2) "Motor vehicle" means every vehicle which is self-propelled and every vehicle which is propelled by electric power obtained from overhead trolley wires, but not operated upon rails, and which is required to be registered and titled under Title 46 RCW, Motor Vehicles.

(3) "Vehicle dealer" means any person, firm, association, corporation, or trust, not excluded by subsection (4) of this section, engaged in the business of buying, selling, listing, exchanging, offering, brokering, leasing with an option to purchase, auctioning, soliciting, or advertising the sale of new or used vehicles, or arranging or offering or attempting to solicit or negotiate on behalf of others, a sale, purchase, or exchange of an interest in new or used motor vehicles, irrespective of whether the motor vehicles are owned by that person. Vehicle dealers shall be classified as follows:

(a) A "motor vehicle dealer" is a vehicle dealer that deals in new or used motor vehicles, or both;

(b) A "mobile home and travel trailer dealer" is a vehicle dealer that deals in mobile homes, park trailers, or travel trailers, or more than one type of these vehicles;

(c) A "miscellaneous vehicle dealer" is a vehicle dealer that deals in motorcycles or vehicles other than motor vehicles or mobile homes and travel trailers or any combination of such vehicles.

(4) The term "vehicle dealer" does not include, nor do the licensing requirements of RCW 46.70.021 apply to, the following persons, firms, associations, or corporations:

(a) Receivers, trustees, administrators, executors, guardians, or other persons appointed by, or acting under a judgment or order of, any court; or

(b) Public officers while performing their official duties; or

(c) Employees of vehicle dealers who are engaged in the specific performance of their duties as such employees; or

(d) Any person engaged in an isolated sale of a vehicle in which that person is the registered or legal owner, or both, thereof; or

(e) Any person, firm, association, corporation, or trust, engaged in the selling of equipment other than vehicles, subject to registration, used for agricultural or industrial purposes; or

(f) A real estate broker licensed under chapter 18.85 RCW, or an affiliated licensee, who, on behalf of another negotiates the purchase, sale, lease, or exchange of a manufactured or mobile home in conjunction with the purchase, sale, exchange, rental, or lease of the land upon which the manufactured or mobile home is, or will be, located; or

(g) Owners who are also operators of the special highway construction equipment or of the highway construction equipment for which a vehicle license and display vehicle license number plate is required as defined in RCW 46.16.010; or

(h) Any bank, trust company, savings bank, mutual savings bank, savings and loan association, credit union, and any parent, subsidiary, or affiliate thereof, authorized to do business in this state under state or federal law with respect to the sale or other disposition of a motor vehicle owned and used in their business; or with respect to the acquisition and sale or other disposition of a motor vehicle in which the entity has acquired an interest as a lessor, lessee, or secured party; or

(i) Any person who is regularly engaged in the business of acquiring leases or installment contracts by assignment, with respect to the acquisition and sale or other disposition of a motor vehicle in which the person has acquired an interest as a result of the business.

(5) "Vehicle salesperson" means any person who for any form of compensation sells, auctions, leases with an option to purchase, or offers to sell or to so lease vehicles on behalf of a vehicle dealer.

(6) "Department" means the department of licensing, which shall administer and enforce the provisions of this chapter.

(7) "Director" means the director of licensing.

(8) "Manufacturer" means any person, firm, association, corporation, or trust, resident or nonresident, who manufactures or assembles new and unused vehicles or remanufactures vehicles in whole or in part and further includes the terms:

(a) "Distributor," which means any person, firm, association, corporation, or trust, resident or nonresident, who in whole or in part offers for sale, sells, or distributes any new and unused vehicle to vehicle dealers or who maintains factory representatives.

(b) "Factory branch," which means a branch office maintained by a manufacturer for the purpose of selling or offering for sale, vehicles to a distributor, wholesaler, or vehicle dealer, or for directing or supervising in whole or in part factory or distributor representatives, and further includes any sales promotion organization, whether a person, firm, or corporation, which is engaged in promoting the sale of new and unused vehicles in this state of a particular brand or make to vehicle dealers.

(c) "Factory representative," which means a representative employed by a manufacturer, distributor, or factory branch for the purpose of making or promoting for the sale of their vehicles or for supervising or contracting with their dealers or prospective dealers.

(9) "Established place of business" means a location meeting the requirements of RCW 46.70.023(1) at which a vehicle dealer conducts business in this state.

(10) "Principal place of business" means that dealer firm's business location in the state, which place the dealer designates as their principal place of business.

(11) "Subagency" means any place of business of a vehicle dealer within the state, which place is physically and geographically separated from the principal place of business of the firm or any place of business of a vehicle dealer within the state, at which place the firm does business using a name other than the principal name of the firm, or both:

(12) "Temporary subagency" means a location other than the principal place of business or subagency within the state where a licensed vehicle dealer may secure a license to conduct the business and is licensed for a period of time not to exceed ten days for a specific purpose such as auto shows, shopping center promotions, tent sales, exhibitions, or similar merchandising ventures. No more than six temporary subagency licenses may be issued to a licensee in any twelve-month period.

(13) "Wholesale vehicle dealer" means a vehicle dealer who buys and sells other than at retail.

(14) "Retail vehicle dealer" means a vehicle dealer who may buy and sell at both wholesale and retail.

(15) "Listing dealer" means a used mobile home dealer who makes contracts with sellers who will compensate the dealer for obtaining a willing purchaser for the seller's mobile home.

(16) "Auction" means a transaction conducted by means of exchanges between an auctioneer and the members of the audience, constituting a series of oral invitations for offers for the purchase of vehicles made by the auctioneer, offers to purchase by members of the audience, and the acceptance of the highest or most favorable offer to purchase.

(17) "Auction company" means a sole proprietorship, partnership, corporation, or other legal or commercial entity licensed under chapter 18.11 RCW that only sells or offers to sell vehicles at auction or only arranges or sponsors auctions.

(18) "Buyer's agent" means any person, firm, partnership, association, limited liability company, limited liability partnership, or corporation retained or employed by a consumer to arrange for or to negotiate, or both, the purchase or lease of a new motor vehicle on behalf of the consumer, and who is paid a fee or receives other compensation from the consumer for its services.

(19) "New motor vehicle" means any motor vehicle that is self-propelled and is required to be registered and titled under Title 46 RCW, has not been previously

titled to a retail purchaser or lessee, and is not a "used vehicle" as defined under RCW 46.04.660.

Sec. 3. RCW 46.70.041 and 1993 c 307 s 6 and 1993 c 175 s 2 are each reenacted and amended to read as follows:

(1) Every application for a vehicle dealer license shall contain the following information to the extent it applies to the applicant:

(a) Proof as the department may require concerning the applicant's identity, including but not limited to his or her fingerprints, the honesty, truthfulness, and good reputation of the applicant for the license, or of the officers of a corporation making the application;

(b) The applicant's form and place of organization including if the applicant is a corporation, proof that the corporation is licensed to do business in this state;

(c) The qualification and business history of the applicant and any partner, officer, or director;

(d) The applicant's financial condition or history including a bank reference and whether the applicant or any partner, officer, or director has ever been adjudged bankrupt or has any unsatisfied judgment in any federal or state court;

(e) Whether the applicant has been adjudged guilty of a crime which directly relates to the business for which the license is sought and the time elapsed since the conviction is less than ten years, or has suffered any judgment within the preceding five years in any civil action involving fraud, misrepresentation, or conversion and in the case of a corporation or partnership, all directors, officers, or partners;

(f) A business telephone with a listing in the local directory;

(g) The name or names of new vehicles the vehicle dealer wishes to sell;

(h) The names and addresses of each manufacturer from whom the applicant has received a franchise;

(i) A certificate by a representative of the department, that the applicant's principal place of business and each subagency business location in the state of Washington meets the location requirements as required by this chapter. The certificate shall include proof of the applicant's ownership or lease of the real property where the applicant's principal place of business is established;

(j) A copy of a current service agreement with a manufacturer, or distributor for a foreign manufacturer, requiring the applicant, upon demand of any customer receiving a new vehicle warranty to perform or arrange for, within a reasonable distance of his or her established place of business, the service repair and replacement work required of the manufacturer or distributor by such vehicle warranty. This requirement applies only to applicants seeking to sell, to exchange, to offer, to auction, to solicit, to advertise, or to broker new or current-model vehicles with factory or distributor warranties;

(k) The class of vehicles the vehicle dealer will be buying, selling, listing, exchanging, offering, brokering, leasing (~~(with an option to purchase)~~), auctioning, soliciting, or advertising, and which classification or classifications the dealer wishes to be designated as;

(1) Effective July 1, 2002, a certificate from the provider of each education program or test showing that the applicant has completed the education programs and passed the test required under section 12 of this act if the applicant is a dealer subject to the education and test requirements:

(m) Any other information the department may reasonably require.

(2) If the applicant is a manufacturer the application shall contain the following information to the extent it is applicable to the applicant:

(a) The name and address of the principal place of business of the applicant and, if different, the name and address of the Washington state representative of the applicant;

(b) The name or names under which the applicant will do business in the state of Washington;

(c) Evidence that the applicant is authorized to do business in the state of Washington;

(d) The name or names of the vehicles that the licensee manufactures;

(e) The name or names and address or addresses of each and every distributor, factory branch, and factory representative;

(f) The name or names and address or addresses of resident employees or agents to provide service or repairs to vehicles located in the state of Washington only under the terms of any warranty attached to new or unused vehicles manufactured, unless such manufacturer requires warranty service to be performed by all of its dealers pursuant to a current service agreement on file with the department;

(g) Any other information the department may reasonably require.

Sec. 4. RCW 46.70.051 and 1997 c 432 s 4 are each amended to read as follows:

(1) After the application has been filed, the fee paid, and bond posted, if required, the department shall, if no denial order is in effect and no proceeding is pending under RCW 46.70.101, issue the appropriate license, which license, in the case of a vehicle dealer, shall designate the classification of the dealer. Nothing prohibits a vehicle dealer from obtaining licenses for more than one classification, and nothing prevents any vehicle dealer from dealing in other classes of vehicles on an isolated basis.

(2) An auction company licensed under chapter 18.11 RCW may sell at auction all classifications of vehicles under a motor vehicle dealer's license issued under this chapter including motor vehicles, miscellaneous type vehicles, and mobile homes and travel trailers.

(3) At the time the department issues a vehicle dealer license, the department shall provide to the dealer a current, up-to-date vehicle dealer manual that may be provided electronically setting forth the various statutes and rules applicable to vehicle dealers. In addition, at the time any such license is renewed under RCW 46.70.083, the department shall provide the dealer with any updates or current

revisions to the vehicle dealer manual. These updates or current revisions may be provided electronically.

(4) The department may contract with responsible private parties to provide them elements of the vehicle data base on a regular basis. The private parties may only disseminate this information to licensed vehicle dealers.

(a) Subject to the disclosure agreement provisions of RCW 46.12.380 and the requirements of Executive Order 97-01, the department may provide to the contracted private parties the following information:

(i) All vehicle and title data necessary to accurately disclose known title defects, brands, or flags and odometer discrepancies;

(ii) All registered and legal owner information necessary to determine true ownership of the vehicle and the existence of any recorded liens, including but not limited to liens of the department of social and health services or its successor; and

(iii) Any data in the department's possession necessary to calculate the motor vehicle excise tax, license, and registration fees including information necessary to determine the applicability of regional transit authority excise and use tax surcharges.

(b) The department may provide this information in any form the contracted private party and the department agree upon, but if the data is to be transmitted over the Internet or similar public network from the department to the contracted private party, it must be encrypted.

(c) The department shall give these contracted private parties advance written notice of any change in the information referred to in (a)(i), (ii), or (iii) of this subsection, including information pertaining to the calculation of motor vehicle excise taxes.

(d) The department shall revoke a contract made under this subsection (4) with a private party who disseminates information from the vehicle data base to anyone other than a licensed vehicle dealer. A private party who obtains information from the vehicle data base under a contract with the department and disseminates any of that information to anyone other than a licensed vehicle dealer is guilty of a gross misdemeanor punishable under chapter 9A.20 RCW.

(e) Nothing in this subsection (4) authorizes a vehicle dealer or any other organization or entity not otherwise appointed as a vehicle licensing subagent under RCW 46.01.140 to perform any of the functions of a vehicle licensing subagent so appointed.

Sec. 5. RCW 46.70.090 and 1994 c 262 s 10 are each amended to read as follows:

(1) The department shall issue a vehicle dealer license plate which shall be attached to the rear of the vehicle only and which is capable of distinguishing the classification of the dealer, to vehicle dealers properly licensed pursuant to this chapter and shall, upon application, issue manufacturer's license plates to manufacturers properly licensed pursuant to this chapter.

(2) The department shall issue to a vehicle dealer up to three vehicle dealer license plates. After the third dealer plate is issued, the department shall limit the number of dealer plates to six percent of the vehicles sold during the preceding license period. For an original license the vehicle dealer license applicant shall estimate the first year's sales or leases. The director or director's designee may waive these dealer plate issuance restrictions for a vehicle dealer if the waiver both serves the purposes of this chapter and is essential to the continuation of the business. The director shall adopt rules to implement this waiver.

(3) Motor vehicle dealer license plates may be used:

(a) To demonstrate motor vehicles held for sale or lease when operated by an individual holding a valid operator's license, if a dated demonstration permit, valid for no more than seventy-two hours, is carried in the vehicle at all times it is operated by any such individual.

(b) On motor vehicles owned, held for sale or lease, and which are in fact available for sale or lease by the firm when operated by an officer of the corporation, partnership, or proprietorship or by their spouses, or by an employee of the firm, if a card so identifying any such individual is carried in the vehicle at all times it is operated by such individual. Any such vehicle so operated may be used to transport the dealer's own tools, parts, and equipment of a total weight not to exceed five hundred pounds.

(c) On motor vehicles being tested for repair.

(d) On motor vehicles being moved to or from a motor vehicle dealer's place of business for sale.

(e) On motor vehicles being moved to or from motor vehicle service and repair facilities before sale or lease.

(f) On motor vehicles being moved to or from motor vehicle exhibitions within the state of Washington, if any such exhibition does not exceed a period of twenty days.

(4) Mobile home and travel trailer dealer license plates may be used:

(a) On units hauled to or from the place of business of the manufacturer and the place of business of the dealer or to and from places of business of the dealer.

(b) On mobile homes hauled to a customer's location for set-up after sale.

(c) On travel trailers held for sale to demonstrate the towing capability of the vehicle if a dated demonstration permit, valid for not more than seventy-two hours, is carried with the vehicle at all times.

(d) On mobile homes being hauled from a customer's location if the requirements of RCW 46.44.170 and 46.44.175 are met.

(e) On any motor vehicle owned by the dealer which is used only to move vehicles legally bearing mobile home and travel trailer dealer license plates of the dealer so owning any such motor vehicle.

(f) On vehicles being moved to or from vehicle exhibitions within the state of Washington, if any such exhibition does not exceed a period of twenty days.

(5) Miscellaneous vehicle dealer license plates may be used:

(a) To demonstrate any miscellaneous vehicle: PROVIDED, That:

(i) No such vehicle may be demonstrated on a public highway unless the customer has an appropriate endorsement on his or her driver's license, if such endorsement is required to operate such vehicle; and

(ii) A dated demonstration permit, valid for no more than seventy-two hours, is carried with the vehicle at all times it is operated by any such individual.

(b) On vehicles owned, held for sale, and which are in fact available for sale, by the firm when operated by an officer of the corporation, partnership, or proprietorship or by a bona fide full-time employee of the firm, if a card so identifying such individual is carried in the vehicle at all times it is operated by him or her.

(c) On vehicles being tested for repair.

(d) On vehicles being transported to or from the place of business of the manufacturer and the place of business of the dealer or to and from places of business of the dealer.

(e) On vehicles on which any other item sold or to be sold by the dealer is transported from the place of business of the manufacturer to the place of business of the dealer or to and from places of business of the dealer if such vehicle and such item are purchased or sold as one package.

(6) Manufacturers properly licensed pursuant to this chapter may apply for and obtain manufacturer license plates and may be used:

(a) On vehicles being moved to or from the place of business of a manufacturer to a vehicle dealer within this state who is properly licensed pursuant to this chapter.

(b) To test vehicles for repair.

(7) Vehicle dealer license plates and manufacturer license plates shall not be used for any purpose other than set forth in this section and specifically shall not be:

(a) Used on any vehicle not within the class for which the vehicle dealer or manufacturer license plates are issued unless specifically provided for in this section.

(b) Loaned to any person for any reason not specifically provided for in this section.

(c) Used on any vehicles for the transportation of any person, produce, freight, or commodities unless specifically provided for in this section, except there shall be permitted the use of such vehicle dealer license plates on a vehicle transporting commodities in the course of a demonstration over a period not to exceed seventy-two consecutive hours from the commencement of such demonstration, if a representative of the dealer is present and accompanies such vehicle during the course of the demonstration.

(d) Used on any vehicle sold to a resident of another state to transport such vehicle to that other state in lieu of a trip permit or in lieu of vehicle license plates obtained from that other state.

(e) Used on any new vehicle unless the vehicle dealer has provided the department a current service agreement with the manufacturer or distributor of that vehicle as provided in RCW 46.70.041(1)(k).

(8) In addition to or in lieu of any sanction imposed by the director pursuant to RCW 46.70.101 for unauthorized use of vehicle dealer license plates or manufacturer license plates, the director may order that any or all vehicle dealer license plates or manufacturer license plates issued pursuant to this chapter be confiscated for such period as ~~((he))~~ the director deems appropriate.

Sec. 6. RCW 46.70.101 and 1998 c 282 s 7 are each amended to read as follows:

The director may by order deny, suspend, or revoke the license of any vehicle dealer or vehicle manufacturer or, in lieu thereof or in addition thereto, may by order assess monetary penalties of a civil nature not to exceed one thousand dollars per violation, if the director finds that the order is in the public interest and that the applicant or licensee:

(1) In the case of a vehicle dealer:

(a) The applicant or licensee, or any partner, officer, director, owner of ten percent or more of the assets of the firm, or managing employee:

(i) Was the holder of a license issued pursuant to this chapter, which was revoked for cause and never reissued by the department, or which license was suspended for cause and the terms of the suspension have not been fulfilled or which license was assessed a civil penalty and the assessed amount has not been paid;

(ii) Has been adjudged guilty of a crime which directly relates to the business of a vehicle dealer and the time elapsed since the adjudication is less than ten years, or suffering any judgment within the preceding five years in any civil action involving fraud, misrepresentation, or conversion. For the purposes of this section, adjudged guilty shall mean in addition to a final conviction in either a state or municipal court, an unvacated forfeiture of bail or collateral deposited to secure a defendant's appearance in court, the payment of a fine, a plea of guilty, or a finding of guilt regardless of whether the sentence is deferred or the penalty is suspended;

(iii) Has knowingly or with reason to know made a false statement of a material fact in his or her application for license or any data attached thereto, or in any matter under investigation by the department;

(iv) Has knowingly, or with reason to know, provided the department with false information relating to the number of vehicle sales transacted during the past one year in order to obtain a vehicle dealer license plate;

(v) Does not have an established place of business as required in this chapter;

(vi) Refuses to allow representatives or agents of the department to inspect during normal business hours all books, records, and files maintained within this state;

(vii) Sells, exchanges, offers, brokers, auctions, solicits, or advertises a new or current model vehicle to which a factory new vehicle warranty attaches and fails

to have a valid, written service agreement as required by this chapter, or having such agreement refuses to honor the terms of such agreement within a reasonable time or repudiates the same, except for sales by wholesale motor vehicle auction dealers to franchise motor vehicle dealers of the same make licensed under Title 46 RCW or franchise motor vehicle dealers of the same make licensed by any other state;

(viii) Is insolvent, either in the sense that their liabilities exceed their assets, or in the sense that they cannot meet their obligations as they mature;

(ix) Fails to pay any civil monetary penalty assessed by the director pursuant to this section within ten days after such assessment becomes final;

(x) Fails to notify the department of bankruptcy proceedings in the manner required by RCW 46.70.183;

(xi) Knowingly, or with reason to know, allows a salesperson employed by the dealer, or acting as their agent, to commit any of the prohibited practices set forth in subsection (1)(a) of this section and RCW 46.70.180;

(xii) Fails to have a current certificate or registration with the department of revenue.

(b) The applicant or licensee, or any partner, officer, director, owner of ten percent of the assets of the firm, or any employee or agent:

(i) Has failed to comply with the applicable provisions of chapter 46.12 or 46.16 RCW or this chapter or any rules and regulations adopted thereunder;

(ii) Has defrauded or attempted to defraud the state, or a political subdivision thereof of any taxes or fees in connection with the sale, lease, or transfer of a vehicle;

(iii) Has forged the signature of the registered or legal owner on a certificate of title;

(iv) Has purchased, sold, disposed of, or has in his or her possession any vehicle which he or she knows or has reason to know has been stolen or appropriated without the consent of the owner;

(v) Has willfully failed to deliver to a purchaser or owner a certificate of ownership to a vehicle which he or she has sold or leased;

(vi) Has committed any act in violation of RCW 46.70.090 relating to vehicle dealer license plates or manufacturer license plates;

(vii) Has committed any act in violation of RCW 46.70.180 relating to unlawful acts and practices;

(viii) Has engaged in practices inimical to the health or safety of the citizens of the state of Washington including but not limited to failure to comply with standards set by the state of Washington or the federal government pertaining to the construction or safety of vehicles, except for sales by wholesale motor vehicle auction dealers to motor vehicle dealers and vehicle wreckers licensed under Title 46 RCW or motor vehicle dealers licensed by any other state;

(ix) Has aided or assisted an unlicensed dealer or salesperson in unlawful activity through active or passive participation in sales, allowing use of facilities, dealer license number, or by any other means;

(x) Converts or appropriates, whether temporarily or permanently, property or funds belonging to a customer, dealer, or manufacturer, without the consent of the owner of the property or funds; or

(xi) Has sold any vehicle with actual knowledge that:

(A) It has any of the following brands on the title: "SALVAGE/REBUILT," "JUNK," or "DESTROYED"; or

(B) It has been declared totaled out by an insurance carrier and then rebuilt; or

(C) The vehicle title contains the specific comment that the vehicle is "rebuilt";

without clearly disclosing that brand or comment in writing.

(c) The licensee or any partner, officer, director, or owner of ten percent or more of the assets of the firm holds or has held any such position in any other vehicle dealership licensed pursuant to this chapter which is subject to final proceedings under this section.

(2) In the case of a manufacturer, or any partner, officer, director, or majority shareholder:

(a) Was or is the holder of a license issued pursuant to this chapter which was revoked for cause and never reissued by the department, or which license was suspended for cause and the terms of the suspension have not been fulfilled, or which license was assessed a civil penalty and the assessed amount has not been paid;

(b) Has knowingly or with reason to know, made a false statement of a material fact in his or her application for license, or any data attached thereto, or in any matter under investigation by the department;

(c) Has failed to comply with the applicable provisions of chapter 46.12 or 46.16 RCW or this chapter or any rules and regulations adopted thereunder;

(d) Has defrauded or attempted to defraud the state or a political subdivision thereof, of any taxes or fees in connection with the sale, lease, or transfer of a vehicle;

(e) Has purchased, sold, leased, disposed of, or has in his or her possession, any vehicle which he or she knows or has reason to know has been stolen or appropriated without the consent of the owner;

(f) Has committed any act in violation of RCW 46.70.090 relating to vehicle dealer license plates and manufacturer license plates;

(g) Has committed any act in violation of RCW 46.70.180 relating to unlawful acts and practices;

(h) Sells or distributes in this state or transfers into this state for resale or for lease, any new or unused vehicle to which a warranty attaches or has attached and

refuses to honor the terms of such warranty within a reasonable time or repudiates the same;

(i) Fails to maintain one or more resident employees or agents to provide service or repairs to vehicles located within the state of Washington only under the terms of any warranty attached to new or unused vehicles manufactured and which are or have been sold or distributed in this state or transferred into this state for resale or for lease unless such manufacturer requires warranty service to be performed by all of its dealers pursuant to a current service agreement on file with the department;

(j) Fails to reimburse within a reasonable time any vehicle dealer within the state of Washington who in good faith incurs reasonable obligations in giving effect to warranties that attach or have attached to any new or unused vehicle sold, leased, or distributed in this state or transferred into this state for resale or for lease by any such manufacturer;

(k) Engaged in practices inimical to the health and safety of the citizens of the state of Washington including but not limited to failure to comply with standards set by the state of Washington or the federal government pertaining to the construction and safety of vehicles;

(l) Is insolvent either in the sense that his or her liabilities exceed his or her assets or in the sense that he or she cannot meet his or her obligations as they mature;

(m) Fails to notify the department of bankruptcy proceedings in the manner required by RCW 46.70.183.

Sec. 7. RCW 46.70.120 and 1996 c 282 s 4 are each amended to read as follows:

A dealer shall complete and maintain for a period of at least five years a record of the purchase and sale or lease of all vehicles purchased ((or)), sold, or leased by him or her. The records shall consist of:

(1) The license and title numbers of the state in which the last license was issued;

(2) A description of the vehicle;

(3) The name and address of the person from whom purchased;

(4) The name of the legal owner, if any;

(5) The name and address of the purchaser or lessee;

(6) If purchased from a dealer, the name, business address, dealer license number, and resale tax number of the dealer;

(7) The price paid for the vehicle and the method of payment;

(8) The vehicle odometer disclosure statement given by the seller to the dealer, and the vehicle odometer disclosure statement given by the dealer to the purchaser or lessee;

(9) The written agreement to allow a dealer to sell between the dealer and the consignor, or the listing dealer and the seller;

(10) Trust account records of receipts, deposits, and withdrawals;

(11) All sale documents, which shall show the full name of dealer employees involved in the sale or lease; and

(12) Any additional information the department may require. However, the department may not require a dealer to collect or retain the hardback copy of a temporary license permit after the permanent license plates for a vehicle have been provided to the purchaser or lessee, if the dealer maintains some other copy of the temporary license permit together with a log of the permits issued.

Such records shall be maintained separate from all other business records of the dealer. Records older than two years may be kept at a location other than the dealer's place of business if those records are made available in hard copy for inspection within three calendar days, exclusive of Saturday, Sunday, or a legal holiday, after a request by the director or the director's authorized agent. Records kept at the vehicle dealer's place of business must be available for inspection by the director or the director's authorized agent during normal business hours.

Dealers may maintain their recordkeeping and filing systems in accordance with their own particular business needs and practices. Nothing in this chapter requires dealers to maintain their records in any particular order or manner, as long as the records identified in this section are maintained in the dealership's recordkeeping system.

Sec. 8. RCW 46.70.122 and 1990 c 238 s 5 are each amended to read as follows:

(1) If the purchaser or transferee is a dealer he or she shall, on selling, leasing, or otherwise disposing of the vehicle, promptly execute the assignment and warranty of title, in such form as the director shall prescribe.

(2) The assignment and warranty shall show any secured party holding a security interest created or reserved at the time of resale or lease, to which shall be attached the assigned certificates of ownership and license registration received by the dealer. The dealer shall mail or deliver them to the department with the transferee's application for the issuance of new certificates of ownership and license registration. The title certificate issued for a vehicle possessed by a dealer and subject to a security interest shall be delivered to the secured party who upon request of the dealer's transferee shall, unless the transfer was a breach of the security agreement, either deliver the certificate to the transferee for transmission to the department, or upon receipt from the transferee of the owner's bill of sale or sale document, the transferee's application for a new certificate and the required fee, mail or deliver to the department. Failure of a dealer to deliver the title certificate to the secured party does not affect perfection of the security interest.

Sec. 9. RCW 46.70.130 and 1996 c 282 s 5 are each amended to read as follows:

(1) Before the execution of a contract or chattel mortgage or the consummation of the sale or lease of any vehicle, the seller must furnish the buyer or lessee an itemization in writing signed by the seller separately disclosing to the buyer or

lessee the finance charge, insurance costs, taxes, and other charges which are paid or to be paid by the buyer or lessee.

(2) Notwithstanding subsection (1) of this section, an itemization of the various license and title fees paid or to be paid by the buyer or lessee, which itemization must be the same as that disclosed on the registration/application for title document issued by the department, may be required only on the title application at the time the application is submitted for title transfer. A vehicle dealer may not be required to separately or individually itemize the license and title fees on any other document, including but not limited to the purchase order and lease agreement. No fee itemization may be required on the temporary permit.

Sec. 10. RCW 46.70.180 and 1999 c 398 s 10 are each amended to read as follows:

Each of the following acts or practices is unlawful:

(1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to the following:

(a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for a smaller down payment than is actually required;

(b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;

(c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a monthly amount or an amount to be charged per year;

(d) That a new vehicle will be sold for a certain amount above or below cost without computing cost as the exact amount of the factory invoice on the specific vehicle to be sold;

(e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.

(2) To incorporate within the terms of any purchase and sale or lease agreement any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price or capitalized cost of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.

(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold or leased to a person for a consideration and upon further consideration that the purchaser or lessee agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure

one or more persons likewise to join in said plan, each purchaser or lessee being given the right to secure money, credits, goods, or something of value, depending upon the number of persons joining the plan.

(4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Taking from a prospective buyer or lessee of a vehicle a written order or offer to purchase or lease, or a contract document signed by the buyer or lessee, which:

(a) Is subject to the dealer's, or his or her authorized representative's future acceptance, and the dealer fails or refuses within three calendar days, exclusive of Saturday, Sunday, or legal holiday, and prior to any further negotiations with said buyer or lessee, either (i) to deliver to the buyer or lessee the dealer's signed acceptance, or (ii) to void the order, offer, or contract document and tender the return of any initial payment or security made or given by the buyer or lessee, including but not limited to money, check, promissory note, vehicle keys, a trade-in, or certificate of title to a trade-in; or

(b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle delivered or to be delivered by the buyer or lessee as part of the purchase price or lease, for any reason except:

(i) Failure to disclose that the vehicle's certificate of ownership has been branded for any reason, including, but not limited to, status as a rebuilt vehicle as provided in RCW 46.12.050 and 46.12.075; or

(ii) Substantial physical damage or latent mechanical defect occurring before the dealer took possession of the vehicle and which could not have been reasonably discoverable at the time of the taking of the order, offer, or contract; or

(iii) Excessive additional miles or a discrepancy in the mileage. "Excessive additional miles" means the addition of five hundred miles or more, as reflected on the vehicle's odometer, between the time the vehicle was first valued by the dealer for purposes of determining its trade-in value and the time of actual delivery of the vehicle to the dealer. "A discrepancy in the mileage" means (A) a discrepancy between the mileage reflected on the vehicle's odometer and the stated mileage on the signed odometer statement; or (B) a discrepancy between the mileage stated on the signed odometer statement and the actual mileage on the vehicle; or

(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

(5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A violation of this subsection is a class C felony punishable under chapter 9A.20 RCW.

(6) For any vehicle dealer or vehicle salesperson to refuse to furnish, upon request of a prospective purchaser or lessee, for vehicles previously registered to a business or governmental entity, the name and address of the business or governmental entity.

(7) To commit any other offense under RCW 46.37.423, 46.37.424, or 46.37.425.

(8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle. However, a dealer may issue a second temporary permit on a vehicle if the following conditions are met:

(a) The lienholder fails to deliver the vehicle title to the dealer within the required time period;

(b) The dealer has satisfied the lien; and

(c) The dealer has proof that payment of the lien was made within two calendar days, exclusive of Saturday, Sunday, or a legal holiday, after the sales contract has been executed by all parties and all conditions and contingencies in the sales contract have been met or otherwise satisfied.

(9) For a dealer, (~~salesman~~) salesperson, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser or lessee prior to the delivery of the bargained-for vehicle, to commingle the "on deposit" funds with assets of the dealer, (~~salesman~~) salesperson, or mobile home manufacturer instead of holding the "on deposit" funds as trustee in a separate trust account until the purchaser or lessee has taken delivery of the bargained-for vehicle. Delivery of a manufactured home shall be deemed to occur in accordance with RCW 46.70.135(5). Failure, immediately upon receipt, to endorse "on deposit" instruments to such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following receipt thereof, shall be evidence of intent to commit this unlawful practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals his or her customary total customer deposits for vehicles for future delivery. For purposes of this section, "on deposit" funds received from a purchaser of a manufactured home means those funds that a seller requires a purchaser to advance before ordering the manufactured home, but does not include any loan proceeds or moneys that might have been paid on an installment contract.

(10) For a dealer or manufacturer to fail to comply with the obligations of any written warranty or guarantee given by the dealer or manufacturer requiring the furnishing of goods and services or repairs within a reasonable period of time, or to fail to furnish to a purchaser or lessee, all parts which attach to the manufactured unit including but not limited to the undercarriage, and all items specified in the terms of a sales or lease agreement signed by the seller and buyer or lessee.

(11) For a vehicle dealer to pay to or receive from any person, firm, partnership, association, or corporation acting, either directly or through a subsidiary, as a buyer's agent for consumers, any compensation, fee, purchase moneys or funds that have been deposited into or withdrawn out of any account controlled or used by any buyer's agent, gratuity, or reward in connection with the purchase (~~or~~), sale, or lease of a new motor vehicle.

(12) For a buyer's agent, acting directly or through a subsidiary, to pay to or to receive from any motor vehicle dealer any compensation, fee, gratuity, or reward in connection with the purchase ~~((or)), sale, or lease~~ of a new motor vehicle. In addition, it is unlawful for any buyer's agent to engage in any of the following acts on behalf of or in the name of the consumer:

(a) Receiving or paying any purchase moneys or funds into or out of any account controlled or used by any buyer's agent;

(b) Signing any vehicle purchase orders, sales contracts, leases, odometer statements, or title documents, or having the name of the buyer's agent appear on the vehicle purchase order, sales contract, lease, or title; or

(c) Signing any other documentation relating to the purchase, sale, lease, or transfer of any new motor vehicle.

It is unlawful for a buyer's agent to use a power of attorney obtained from the consumer to accomplish or effect the purchase, sale, lease, or transfer of ownership documents of any new motor vehicle by any means which would otherwise be prohibited under (a) through (c) of this subsection. However, the buyer's agent may use a power of attorney for physical delivery of motor vehicle license plates to the consumer.

Further, it is unlawful for a buyer's agent to engage in any false, deceptive, or misleading advertising, disseminated in any manner whatsoever, including but not limited to making any claim or statement that the buyer's agent offers, obtains, or guarantees the lowest price on any motor vehicle or words to similar effect.

(13) For a buyer's agent to arrange for or to negotiate the purchase, or both, of a new motor vehicle through an out-of-state dealer without disclosing in writing to the customer that the new vehicle would not be subject to chapter 19.118 RCW. This subsection also applies to leased vehicles. In addition, it is unlawful for any buyer's agent to fail to have a written agreement with the customer that: (a) Sets forth the terms of the parties' agreement; (b) discloses to the customer the total amount of any fees or other compensation being paid by the customer to the buyer's agent for the agent's services; and (c) further discloses whether the fee or any portion of the fee is refundable. ~~((The department of licensing shall by December 31, 1996, in rule, adopt standard disclosure language for buyer's agent agreements under RCW 46.70.011, 46.70.070, and this section.))~~

(14) Being a manufacturer, other than a motorcycle manufacturer governed by chapter 46.94 RCW, to:

(a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which have not been voluntarily ordered by the vehicle dealer: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute coercion;

(b) Cancel or fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his or her capital investment which shall include but not

be limited to tools, equipment, and parts inventory possessed by the dealer on the day he or she is notified of such cancellation or termination and which are still within the dealer's possession on the day the cancellation or termination is effective, if: (i) The capital investment has been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (ii) the cancellation or nonrenewal was not done in good faith. Good faith is defined as the duty of each party to any franchise to act in a fair and equitable manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute a lack of good faith.

(c) Encourage, aid, abet, or teach a vehicle dealer to sell or lease vehicles through any false, deceptive, or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;

(d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;

(e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale or lease of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order has been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation, or utility services, or by any labor or production difficulty, or by any cause beyond the reasonable control of the manufacturer;

(f) To provide under the terms of any warranty that a purchaser or lessee of any new or unused vehicle that has been sold or leased, distributed for sale or lease, or transferred into this state for resale or lease by the vehicle manufacturer may only make any warranty claim on any item included as an integral part of the vehicle against the manufacturer of that item.

Nothing in this section may be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative, or any other person, whether or not licensed under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor does the requirement of such performance constitute a violation of any of the provisions of this section if any such contract or the terms thereof requiring performance, have been freely entered into and executed between the contracting parties. This paragraph and subsection (14)(b) of this section do not apply to new motor vehicle manufacturers governed by chapter 46.96 RCW.

(15) Unlawful transfer of an ownership interest in a motor vehicle as defined in RCW 19.116.050.

(16) To knowingly and intentionally engage in collusion with a registered owner of a vehicle to repossess and return or resell the vehicle to the registered owner in an attempt to avoid a suspended license impound under chapter 46.55

RCW. However, compliance with chapter (~~(62A.9)~~ 62A.9A RCW in repossessing, selling, leasing, or otherwise disposing of the vehicle, including providing redemption rights to the debtor, is not a violation of this section.

Sec. 11. RCW 46.70.900 and 1973 1st ex.s. c 132 s 20 are each amended to read as follows:

All provisions of this chapter shall be liberally construed to the end that deceptive practices or commission of fraud or misrepresentation in the sale, lease, barter, or disposition of vehicles in this state may be prohibited and prevented, and irresponsible, unreliable, or dishonest persons may be prevented from engaging in the business of selling, leasing, bartering, or otherwise dealing in vehicles in this state and reliable persons may be encouraged to engage in the business of selling, leasing, bartering and otherwise dealing in vehicles in this state: **PROVIDED**, That this chapter shall not apply to printers, publishers, or broadcasters who in good faith print, publish or broadcast material without knowledge of its deceptive character.

NEW SECTION. **Sec. 12.** A new section is added to chapter 46.70 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, the following education requirements apply to an applicant for a vehicle dealer license under RCW 46.70.021:

(a) An applicant for a vehicle dealer license under RCW 46.70.021 must complete a minimum of eight hours of approved education programs described in subsection (3) of this section and pass a test prior to submitting an application for the license; and

(b) An applicant for a renewal of a vehicle dealer license under RCW 46.70.083 must complete a minimum of five hours per year in a licensing period of approved continuing education programs described in subsection (3) of this section prior to submitting an application for the renewal of the vehicle dealer license.

(2) The education and test requirements in subsection (1) of this section do not apply to an applicant for a vehicle dealer license under RCW 46.70.021 if the applicant is:

(a) A franchised dealer of new recreational vehicles;

(b) A nationally franchised or corporate-owned motor vehicle rental company;

(c) A dealer of manufactured dwellings;

(d) A national auction company that holds a vehicle dealer license and a wrecker license whose primary activity in this state is the sale or disposition of totaled vehicles; or

(e) A wholesale auto auction company that holds a vehicle dealer license.

(3) The education programs and test required in subsection (1) of this section shall be developed by motor vehicle industry organizations including, but not limited to, the state independent auto dealers association and the department of licensing.

(4) A new motor vehicle dealer, as defined under RCW 46.96.020, is deemed to have met the education and test requirements required for applicants for a vehicle dealer license under this section.

Sec. 13. RCW 46.70.070 and 1996 c 194 s 2 are each amended to read as follows:

(1) Before issuing a vehicle dealer's license, the department shall require the applicant to file with the department a surety bond in the amount of:

(a) ~~(Fifteen)~~ **Thirty** thousand dollars for motor vehicle dealers;

(b) ~~Thirty thousand dollars for mobile home, park trailer, and travel trailer dealers~~ (~~PROVIDED, That if such dealer does not deal in mobile homes or park trailers such bond shall be fifteen thousand dollars~~);

(c) Five thousand dollars for miscellaneous dealers, running to the state, and executed by a surety company authorized to do business in the state. Such bond shall be approved by the attorney general as to form and conditioned that the dealer shall conduct his or her business in conformity with the provisions of this chapter.

Any retail purchaser, consignor who is not a motor vehicle dealer, or a motor vehicle dealer who has purchased from, sold to, or otherwise transacted business with a wholesale dealer, who has suffered any loss or damage by reason of any act by a dealer which constitutes a violation of this chapter shall have the right to institute an action for recovery against such dealer and the surety upon such bond. However, under this section, motor vehicle dealers who have purchased from, sold to, or otherwise transacted business with wholesale dealers may only institute actions against wholesale dealers and their surety bonds. Successive recoveries against said bond shall be permitted, but the aggregate liability of the surety to all persons shall in no event exceed the amount of the bond. Upon exhaustion of the penalty of said bond or cancellation of the bond by the surety the vehicle dealer license shall automatically be deemed canceled.

(2) The bond for any vehicle dealer licensed or to be licensed under more than one classification shall be the highest bond required for any such classification.

(3) Vehicle dealers shall maintain a bond for each business location in this state and bond coverage for all temporary subagencies.

NEW SECTION. **Sec. 14.** Section 12 of this act takes effect July 1, 2002.

Passed the House April 18, 2001.

Passed the Senate April 9, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 273

[Engrossed Second Substitute House Bill 1658]

OYSTER RESERVE LANDS

AN ACT Relating to state oyster reserve lands; amending RCW 79.96.110, 43.84.092, and 43.84.092; adding new sections to chapter 77.60 RCW; adding a new section to chapter 90.71 RCW; providing an effective date; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 77.60 RCW to read as follows:

(1) The department shall initiate a pilot project to evaluate the feasibility and potential of intensively culturing shellfish on currently nonproductive oyster reserve land in Puget Sound. The pilot program shall include no fewer than three long-term lease agreements with commercial shellfish growers. Except as provided in subsection (4) of this section, revenues from the lease of such lands shall be deposited in the oyster reserve land account created in section 2 of this act.

(2) The department shall form one advisory committee each for the Willapa Bay oyster reserve lands and the Puget Sound oyster reserve lands. The advisory committees shall make recommendations on management practices to conserve, protect, and develop oyster reserve lands. The advisory committees may make recommendations regarding the management practices on oyster reserve lands, in particular to ensure that they are managed in a manner that will: (a) Increase revenue through production of high-value shellfish; (b) not be detrimental to the market for shellfish grown on nonreserve lands; and (c) avoid negative impacts to existing shellfish populations. The advisory committees may also make recommendation on the distribution of funds in section 2(2)(a) of this act. The department shall attempt to structure each advisory committee to include equal representation between shellfish growers that participate in reserve sales and shellfish growers that do not.

(3) The department shall submit a brief progress report on the status of the pilot programs to the appropriate standing committees of the legislature by January 7, 2003.

(4) The department of natural resources, in consultation with the department of fish and wildlife, shall administer the leases for oyster reserves entered into under this chapter. In administering the leases, the department of natural resources shall exercise its authority under RCW 79.96.090. Vacation of state oyster reserves by the department of fish and wildlife shall not be a requirement for the department of natural resources to lease any oyster reserves under this section. The department of natural resources may recover reasonable costs directly associated with the administration of the leases for oyster reserves entered into under this chapter. All administrative fees collected by the department of natural resources pursuant to this section shall be deposited into the resource management cost account established in RCW 79.64.020. The department of fish and wildlife may not assess charges to recover the costs of consulting with the department of natural resources under this subsection.

(5) The Puget Sound pilot program shall not include the culture of geoduck.

NEW SECTION. Sec. 2. A new section is added to chapter 77.60 RCW to read as follows:

(1) The oyster reserve land account is created in the state treasury. All receipts from revenues from the lease of land or sale of shellfish from oyster reserve lands must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only as provided in this section.

(2) Funds in the account shall be used for the purposes provided for in this subsection:

(a) Up to forty percent for the management expenses incurred by the department that are directly attributable to the management of the oyster reserve lands and for the expenses associated with new research and development activities at the Pt. Whitney and Nahcotta shellfish laboratories managed by the department. As used in this subsection, "new research and development activities" includes an emphasis on the control of aquatic nuisance species and burrowing shrimp;

(b) Up to ten percent may be deposited into the state general fund; and

(c) All remaining funds in the account shall be used for the shellfish - on-site sewage grant program established in section 3 of this act.

NEW SECTION. Sec. 3. A new section is added to chapter 90.71 RCW to read as follows:

(1) The action team shall establish a shellfish - on-site sewage grant program in Puget Sound and for Pacific and Grays Harbor counties. The action team shall provide funds to local health jurisdictions to be used as grants to individuals for improving their on-site sewage systems. The grants may be provided only in areas that have the potential to adversely affect water quality in commercial and recreational shellfish growing areas. A recipient of a grant shall enter into an agreement with the appropriate local health jurisdiction to maintain the improved on-site sewage system according to specifications required by the local health jurisdiction. The action team shall work closely with local health jurisdictions and shall endeavor to attain geographic equity between Willapa Bay and the Puget Sound when making funds available under this program. For the purposes of this subsection, "geographic equity" means issuing on-site sewage grants at a level that matches the funds generated from the oyster reserve lands in that area.

(2) In the Puget Sound, the action team shall give first priority to areas that are:

(a) Identified as "areas of special concern" under WAC 246-272-01001; or

(b) Included within a shellfish protection district under chapter 90.72 RCW.

(3) In Grays Harbor and Pacific counties, the action team shall give first priority to preventing the deterioration of water quality in areas where commercial or recreational shellfish are grown.

(4) The action team and each participating local health jurisdiction shall enter into a memorandum of understanding that will establish an applicant income

eligibility requirement for individual grant applicants from within the jurisdiction and other mutually agreeable terms and conditions of the grant program.

(5) The action team may recover the costs to administer this program not to exceed ten percent of the shellfish-on-site sewage grant program.

(6) For the 2001-2003 biennium, the action team may use up to fifty percent of the shellfish - on-site sewage grant program funds for grants to local health jurisdictions to establish areas of special concern under WAC 246-272-01001, or for operation and maintenance programs therein, where commercial and recreational uses are present.

Sec. 4. RCW 79.96.110 and 2000 c 11 s 30 are each amended to read as follows:

(1) In ~~((case the director of))~~ the event that the fish and wildlife commission approves the vacation of the whole or any part of ~~((said))~~ a reserve, the department of natural resources may vacate and offer for lease such parts or all of ~~((said))~~ the reserve as it deems to be for the best interest of the state, and all moneys received for the lease of such lands shall be paid to the department of natural resources~~((: PROVIDED, That nothing in RCW 79.96.090 through 79.96.110 shall be construed as authorizing the lease of any tidelands which have heretofore, or which may hereafter, be set aside as))~~.

(2) Notwithstanding RCW 77.60.020, subsection (1) of this section, or any other provision of state law, the state oyster reserves in Eld Inlet, Hammersley Inlet, or Totten Inlet, situated in Mason or Thurston counties~~((: PROVIDED FURTHER, That any portion of Plat 138, Clifton's Oyster Reserve, which has already been vacated, may be leased by the department))~~ shall permanently be designated as state oyster reserve lands.

Sec. 5. RCW 43.84.092 and 2000 2nd sp.s. c 4 s 5 are each amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the drinking water assistance account, the Eastern Washington University capital projects account, the education construction fund, the emergency reserve fund, the federal forest revolving account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system plan 2 account, the Puyallup tribal settlement account, the resource management cost account, the site closure account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the tuition recovery trust fund, the University of Washington bond retirement fund, the

University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 6. RCW 43.84.092 and 2000 2nd sp.s. c 4 s 6 are each amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds

of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the drinking water assistance account, the Eastern Washington University capital projects account, the education construction fund, the emergency reserve fund, the federal forest revolving account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the Puyallup tribal

settlement account, the resource management cost account, the site closure account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

NEW SECTION. Sec. 7. Section 5 of this act expires March 1, 2002.

NEW SECTION. Sec. 8. Section 6 of this act takes effect March 1, 2002.

Passed the House April 17, 2001.

Passed the Senate April 11, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 274

[Second Substitute House Bill 1752]

WILDLIFE DAMAGE CLAIMS—RANGELAND—DOMESTIC LIVESTOCK

AN ACT Relating to wildlife damage claims on rangeland suitable for grazing or browsing of domestic livestock; amending RCW 77.36.005, 77.36.010, and 77.36.080; adding a new section to chapter 43.131 RCW; providing an effective date; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 77.36.005 and 1996 c 54 s 1 are each amended to read as follows:

The legislature finds that:

(1) As the number of people in the state grows and wildlife habitat is altered, people will encounter wildlife more frequently. As a result, conflicts between humans and wildlife will also increase. Wildlife is a public resource of significant value to the people of the state and the responsibility to minimize and resolve these conflicts is shared by all citizens of the state.

(2) In particular, the state recognizes the importance of commercial agricultural and horticultural crop production, rangeland suitable for grazing or browsing of domestic livestock, and the value of healthy deer and elk populations, which can damage such crops. The legislature further finds that damage prevention is key to maintaining healthy deer and elk populations, wildlife-related recreational opportunities, ((and)) commercially productive agricultural and horticultural crops, and rangeland suitable for grazing or browsing of domestic livestock, and that the state, participants in wildlife recreation, and private landowners and tenants share the responsibility for damage prevention. Toward this end, the legislature encourages landowners and tenants to contribute through their land management practices to healthy wildlife populations and to provide access for related recreation. It is in the best interests of the state for the department of fish and wildlife to respond quickly to wildlife damage complaints and to work with these landowners and tenants to minimize and/or prevent damages and conflicts while maintaining deer and elk populations for enjoyment by all citizens of the state.

(3) A timely and simplified process for resolving claims for damages caused by deer and elk for commercial agricultural or horticultural products, and rangeland used for grazing or browsing of domestic livestock is beneficial to the claimant and the state.

Sec. 2. RCW 77.36.010 and 1996 c 54 s 2 are each amended to read as follows:

~~((Unless otherwise specified;))~~ The ((following)) definitions in this section apply throughout this chapter(:(:)) unless the context clearly requires otherwise.

(1) "Crop" means ~~((a commercially raised horticultural and/or agricultural product and includes growing or harvested product but does not include livestock))~~ (a) a growing or harvested horticultural and/or agricultural product for commercial purposes; or (b) rangeland forage on privately owned land used for grazing or browsing of domestic livestock for at least a portion of the year for commercial purposes. For the purposes of this chapter all parts of horticultural trees shall be considered a crop and shall be eligible for claims.

(2) "Emergency" means an unforeseen circumstance beyond the control of the landowner or tenant that presents a real and immediate threat to crops, domestic animals, or fowl.

(3) "Immediate family member" means spouse, brother, sister, grandparent, parent, child, or grandchild.

Sec. 3. RCW 77.36.080 and 1996 c 54 s 9 are each amended to read as follows:

(1) The department may pay no more than thirty thousand dollars per fiscal year from the general fund for claims under RCW 77.36.040 and for assessment costs and compromise of claims unless the legislature declares an emergency. Such money shall be used to pay animal damage claims only if the claim meets the conditions of RCW 77.36.040 and the damage occurred in a place where the opportunity to hunt was restricted or prohibited by a county, municipality, or other public entity during the season prior to the occurrence of the damage.

(2) The legislature may declare an emergency, defined for the purposes of this section as any happening arising from weather, other natural conditions, or fire that causes unusually great damage ~~by deer or elk~~ to commercially raised agricultural or horticultural crops ((by deer or elk)), or rangeland forage on privately owned land used for grazing or browsing of domestic livestock for at least a portion of the year. In an emergency, the department may pay as much as may be subsequently appropriated, in addition to the funds authorized under subsection (1) of this section, for claims under RCW 77.36.040 and for assessment and compromise of claims. Such money shall be used to pay animal damage claims only if the claim meets the conditions of RCW 77.36.040 and the department has expended all funds authorized under RCW 77.36.070 or subsection (1) of this section.

(3) Of the total funds available each fiscal year under subsection (1) of this section and RCW 77.36.070, no more than one-third of this total may be used to pay animal damage claims for rangeland forage on privately owned land.

(4) Of the total funds available each fiscal year under subsection (1) of this section and RCW 77.36.070 that remain unspent at the end of the fiscal year, fifty percent shall be utilized as matching grants to enhance habitat for deer and elk on public lands.

NEW SECTION. Sec. 4. A new section is added to chapter 43.131 RCW to read as follows:

The joint legislative audit and review committee must conduct a program review, as provided in this chapter, of the program to reimburse landowners for damage to rangeland used for grazing or browsing of domestic livestock caused by deer and elk, established in sections 1 through 3, chapter . . . , Laws of 2001 (sections 1 through 3 of this act). The review must be completed by January 1, 2004.

NEW SECTION. Sec. 5. The following expire June 30, 2004:

- (1) Section 1, chapter . . . , Laws of 2001 (section 1 of this act);
- (2) Section 2, chapter . . . , Laws of 2001 (section 2 of this act); and
- (3) Section 3, chapter . . . , Laws of 2001 (section 3 of this act).

NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the House April 17, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 275

[Substitute House Bill 1836]

TASK FORCE ON LOCAL PARK AND RECREATION MAINTENANCE

AN ACT Relating to a legislative task force on local park and recreation maintenance and operations; creating new sections; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislative task force on local park and recreation maintenance and operations is created and is comprised of the following members, who are appointed as follows:

(a) Four members of the house of representatives, two from each major caucus, appointed by the co-speakers of the house of representatives;

(b) Four members of the senate, two from each major caucus, appointed by the president of the senate;

(c) Two representatives of county government parks and recreation, one of whom must be from a county that is mostly urban and one from a county that is mostly rural, appointed by a statewide organization representing county governments;

(d) Two representatives of city government parks and recreation, one of whom must be from a city with a population over thirty thousand people and one from a city with a population less than thirty thousand people, appointed by a statewide organization representing city governments;

(e) Three representatives of local parks users, one of whom must represent the interests of team sport users, one of whom must represent the interests of individual users, and one of whom must represent youth users, appointed by a statewide organization that represents local park and recreation interests;

(f) A representative of the office of financial management, appointed by the director of the office of financial management;

(g) A representative of the sporting goods and outdoor recreation products industry, appointed by a statewide organization representing producers and retailers of such merchandise;

(h) A representative of commercial business interests that are affected by the existence of local parks, appointed by a statewide organization representing the interests of commercial business in this state;

(i) A representative of an environmental interest organization with familiarity and expertise in parks land use issues, appointed by a statewide organization representing environmental interests; and

(j) A representative from either a metropolitan park district, a park and recreation service area, or a park and recreation district.

(2) The task force must convene as soon as possible upon appointment of its members. The task force must elect a chair and agree upon procedures for conducting the business of the task force. Staff support for the task force must be provided by the interagency committee for outdoor recreation.

NEW SECTION. Sec. 2. (1) By December 1, 2001, the task force established in section 1 of this act must report and recommend to the legislature:

(a) An analysis detailing current local park and recreation uses and trends;

(b) An analysis detailing current funding for local park and recreation maintenance and operations;

(c) An analysis of the benefits that local parks provide to the state;

(d) An analysis of the anticipated future needs of local parks and recreation agencies, including utilization, maintenance, operations, and other needs identified; and

(e) Recommended sources of funding to meet the operational needs of local parks and recreation agencies identified in the report.

(2) The task force must make recommendations to the legislature on any other issues, and at such times, as the task force deems important to the successful implementation of this act.

NEW SECTION. Sec. 3. The task force shall meet as and when it sees fit in order to properly carry out the functions and duties set forth in this act. However, in order to facilitate substantial and inclusive input, the task force shall meet in at least four different parts of the state.

NEW SECTION. Sec. 4. This act expires June 30, 2002.

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

Passed the House March 9, 2001.

Passed the Senate April 4, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 276

[Substitute House Bill 1899]

PROFESSIONAL LICENSES—IDENTIFYING INFORMATION

AN ACT Relating to the use of identifying information in professional licenses; adding a new section to chapter 43.24 RCW; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 43.24 RCW to read as follows:

Social security numbers and drivers' license numbers may not be used as part of a professional license. Professional licenses containing such information that are in existence on the effective date of this section shall comply with this section by the next renewal date.

NEW SECTION. Sec. 2. This act takes effect January 1, 2002.

Passed the House March 9, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 277

[Engrossed House Bill 1936]

MOORING AT BUOYS

AN ACT Relating to mooring at buoys; and amending RCW 79.90.105.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 79.90.105 and 1989 c 175 s 170 are each amended to read as follows:

(1) The abutting residential owner to state-owned shorelands, tidelands, or related beds of navigable waters, other than harbor areas, may install and maintain without charge a dock on such areas if used exclusively for private recreational purposes and the area is not subject to prior rights. This permission is subject to applicable local regulation governing construction, size, and length of the dock. This permission may be revoked by the department upon finding of public necessity which is limited to the protection of waterward access or ingress rights of other landowners or public health and safety. The revocation may be appealed

as an adjudicative proceeding under chapter 34.05 RCW, the administrative procedure act. Nothing in this section prevents the abutting owner from obtaining a lease if otherwise provided by law.

(2) The abutting residential owner to state-owned shorelands, tidelands, or related beds of navigable waters, may anchor to buoys without charge if the boat that is anchored is used for private recreational purposes and the area is not subject to prior rights. Buoys cannot be sold or leased separately from the upland residence. The mooring buoy cannot be used for commercial, transient, or residential use. One buoy may be installed without charge for the first one hundred feet of shoreline property owned, and one additional buoy may be installed without charge for every one hundred feet of shoreline property owned above the initial one hundred feet. The permission granted in this subsection is subject to the boat or mooring system not posing a hazard or obstruction to navigation or fishing or habitat degradation. This subsection also applies to areas that have been designated by the commissioner of public lands or the fish and wildlife commission as aquatic reserves. This permission may be revoked by the department if the department makes a finding of public necessity to protect waterward access or ingress rights of other landowners or public health or safety. The revocation may be appealed as an adjudicative proceeding under chapter 34.05 RCW, the administrative procedure act. Nothing in this subsection authorizes a boat owner to abandon a vessel at a buoy or elsewhere.

Passed the House March 13, 2001.

Passed the Senate April 9, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 278

[Engrossed Substitute House Bill 1996]

PUBLIC INSPECTION—FISH AND WILDLIFE DATA

AN ACT Relating to exemptions from public inspection of data obtained by the department of fish and wildlife; and reenacting and amending RCW 42.17.310.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 42.17.310 and 2000 c 134 s 3, 2000 c 56 s 1, and 2000 c 6 s 5 are each reenacted and amended to read as follows:

(1) The following are exempt from public inspection and copying:

(a) Personal information in any files maintained for students in public schools, patients or clients of public institutions or public health agencies, or welfare recipients.

(b) Personal information in files maintained for employees, appointees, or elected officials of any public agency to the extent that disclosure would violate their right to privacy.

(c) Information required of any taxpayer in connection with the assessment or collection of any tax if the disclosure of the information to other persons would (i) be prohibited to such persons by RCW 84.08.210, 82.32.330, 84.40.020, or 84.40.340 or (ii) violate the taxpayer's right to privacy or result in unfair competitive disadvantage to the taxpayer.

(d) Specific intelligence information and specific investigative records compiled by investigative, law enforcement, and penology agencies, and state agencies vested with the responsibility to discipline members of any profession, the nondisclosure of which is essential to effective law enforcement or for the protection of any person's right to privacy.

(e) Information revealing the identity of persons who are witnesses to or victims of crime or who file complaints with investigative, law enforcement, or penology agencies, other than the public disclosure commission, if disclosure would endanger any person's life, physical safety, or property. If at the time a complaint is filed the complainant, victim or witness indicates a desire for disclosure or nondisclosure, such desire shall govern. However, all complaints filed with the public disclosure commission about any elected official or candidate for public office must be made in writing and signed by the complainant under oath.

(f) Test questions, scoring keys, and other examination data used to administer a license, employment, or academic examination.

(g) Except as provided by chapter 8.26 RCW, the contents of real estate appraisals, made for or by any agency relative to the acquisition or sale of property, until the project or prospective sale is abandoned or until such time as all of the property has been acquired or the property to which the sale appraisal relates is sold, but in no event shall disclosure be denied for more than three years after the appraisal.

(h) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss.

(i) Preliminary drafts, notes, recommendations, and intra-agency memorandums in which opinions are expressed or policies formulated or recommended except that a specific record shall not be exempt when publicly cited by an agency in connection with any agency action.

(j) Records which are relevant to a controversy to which an agency is a party but which records would not be available to another party under the rules of pretrial discovery for causes pending in the superior courts.

(k) Records, maps, or other information identifying the location of archaeological sites in order to avoid the looting or depredation of such sites.

(l) Any library record, the primary purpose of which is to maintain control of library materials, or to gain access to information, which discloses or could be used to disclose the identity of a library user.

(m) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (i) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (ii) highway construction or improvement as required by RCW 47.28.070.

(n) Railroad company contracts filed prior to July 28, 1991, with the utilities and transportation commission under RCW 81.34.070, except that the summaries of the contracts are open to public inspection and copying as otherwise provided by this chapter.

(o) Financial and commercial information and records supplied by private persons pertaining to export services provided pursuant to chapter 43.163 RCW and chapter 53.31 RCW, and by persons pertaining to export projects pursuant to RCW 43.23.035.

(p) Financial disclosures filed by private vocational schools under chapters 28B.85 and 28C.10 RCW.

(q) Records filed with the utilities and transportation commission or attorney general under RCW 80.04.095 that a court has determined are confidential under RCW 80.04.095.

(r) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency.

(s) Membership lists or lists of members or owners of interests of units in timeshare projects, subdivisions, camping resorts, condominiums, land developments, or common-interest communities affiliated with such projects, regulated by the department of licensing, in the files or possession of the department.

(t) All applications for public employment, including the names of applicants, resumes, and other related materials submitted with respect to an applicant.

(u) The residential addresses and residential telephone numbers of employees or volunteers of a public agency which are held by the agency in personnel records, employment or volunteer rosters, or mailing lists of employees or volunteers.

(v) The residential addresses and residential telephone numbers of the customers of a public utility contained in the records or lists held by the public utility of which they are customers, except that this information may be released to the division of child support or the agency or firm providing child support enforcement for another state under Title IV-D of the federal social security act, for the establishment, enforcement, or modification of a support order.

(w)(i) The federal social security number of individuals governed under chapter 18.130 RCW maintained in the files of the department of health, except this exemption does not apply to requests made directly to the department from federal, state, and local agencies of government, and national and state licensing, credentialing, investigatory, disciplinary, and examination organizations; (ii) the

current residential address and current residential telephone number of a health care provider governed under chapter 18.130 RCW maintained in the files of the department, if the provider requests that this information be withheld from public inspection and copying, and provides to the department an accurate alternate or business address and business telephone number. On or after January 1, 1995, the current residential address and residential telephone number of a health care provider governed under RCW 18.130.040 maintained in the files of the department shall automatically be withheld from public inspection and copying unless the provider specifically requests the information be released, and except as provided for under RCW 42.17.260(9).

(x) Information obtained by the board of pharmacy as provided in RCW 69.45.090.

(y) Information obtained by the board of pharmacy or the department of health and its representatives as provided in RCW 69.41.044, 69.41.280, and 18.64.420.

(z) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW.

(aa) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information.

(bb) Financial and valuable trade information under RCW 51.36.120.

(cc) Client records maintained by an agency that is a domestic violence program as defined in RCW 70.123.020 or 70.123.075 or a rape crisis center as defined in RCW 70.125.030.

(dd) Information that identifies a person who, while an agency employee: (i) seeks advice, under an informal process established by the employing agency, in order to ascertain his or her rights in connection with a possible unfair practice under chapter 49.60 RCW against the person; and (ii) requests his or her identity or any identifying information not be disclosed.

(ee) Investigative records compiled by an employing agency conducting a current investigation of a possible unfair practice under chapter 49.60 RCW or of a possible violation of other federal, state, or local laws prohibiting discrimination in employment.

(ff) Business related information protected from public inspection and copying under RCW 15.86.110.

(gg) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW.

(hh) Information and documents created specifically for, and collected and maintained by a quality improvement committee pursuant to RCW 43.70.510 or

70.41.200, or by a peer review committee under RCW 4.24.250, regardless of which agency is in possession of the information and documents.

(ii) Personal information in files maintained in a data base created under RCW 43.07.360.

(jj) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010.

(kk) Names of individuals residing in emergency or transitional housing that are furnished to the department of revenue or a county assessor in order to substantiate a claim for property tax exemption under RCW 84.36.043.

(ll) The names, residential addresses, residential telephone numbers, and other individually identifiable records held by an agency in relation to a vanpool, carpool, or other ride-sharing program or service. However, these records may be disclosed to other persons who apply for ride-matching services and who need that information in order to identify potential riders or drivers with whom to share rides.

(mm) The personally identifying information of current or former participants or applicants in a paratransit or other transit service operated for the benefit of persons with disabilities or elderly persons.

(nn) The personally identifying information of persons who acquire and use transit passes and other fare payment media including, but not limited to, stored value smart cards and magnetic strip cards, except that an agency may disclose this information to a person, employer, educational institution, or other entity that is responsible, in whole or in part, for payment of the cost of acquiring or using a transit pass or other fare payment media, or to the news media when reporting on public transportation or public safety. This information may also be disclosed at the agency's discretion to governmental agencies or groups concerned with public transportation or public safety.

(oo) Proprietary financial and commercial information that the submitting entity, with review by the department of health, specifically identifies at the time it is submitted and that is provided to or obtained by the department of health in connection with an application for, or the supervision of, an antitrust exemption sought by the submitting entity under RCW 43.72.310. If a request for such information is received, the submitting entity must be notified of the request. Within ten business days of receipt of the notice, the submitting entity shall provide a written statement of the continuing need for confidentiality, which shall be provided to the requester. Upon receipt of such notice, the department of health shall continue to treat information designated under this section as exempt from disclosure. If the requester initiates an action to compel disclosure under this chapter, the submitting entity must be joined as a party to demonstrate the continuing need for confidentiality.

(pp) Records maintained by the board of industrial insurance appeals that are related to appeals of crime victims' compensation claims filed with the board under RCW 7.68.110.

(qq) Financial and commercial information supplied by or on behalf of a person, firm, corporation, or entity under chapter 28B.95 RCW relating to the purchase or sale of tuition units and contracts for the purchase of multiple tuition units.

(rr) Any records of investigative reports prepared by any state, county, municipal, or other law enforcement agency pertaining to sex offenses contained in chapter 9A.44 RCW or sexually violent offenses as defined in RCW 71.09.020, which have been transferred to the Washington association of sheriffs and police chiefs for permanent electronic retention and retrieval pursuant to RCW 40.14.070(2)(b).

(ss) Credit card numbers, debit card numbers, electronic check numbers, card expiration dates, or bank or other financial account numbers supplied to an agency for the purpose of electronic transfer of funds, except when disclosure is expressly required by law.

(tt) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a liquor license, gambling license, or lottery retail license.

(uu) Records maintained by the employment security department and subject to chapter 50.13 RCW if provided to another individual or organization for operational, research, or evaluation purposes.

(vv) Individually identifiable information received by the work force training and education coordinating board for research or evaluation purposes.

(ww) Commercial fishing catch data from logbooks required to be provided to the department of fish and wildlife under RCW 77.12.047, when the data identifies specific catch location, timing, or methodology and the release of which would result in unfair competitive disadvantage to the commercial fisher providing the catch data. However, this information may be released to government agencies concerned with the management of fish and wildlife resources.

(xx) Sensitive wildlife data obtained by the department of fish and wildlife. However, sensitive wildlife data may be released to government agencies concerned with the management of fish and wildlife resources. Sensitive wildlife data includes:

(i) The nesting sites or specific locations of endangered species designated under RCW 77.12.020, or threatened or sensitive species classified by rule of the department of fish and wildlife;

(ii) Radio frequencies used in, or locational data generated by, telemetry studies; or

(iii) Other location data that could compromise the viability of a specific fish or wildlife population, and where at least one of the following criteria are met:

(A) The species has a known commercial or black market value;

(B) There is a history of malicious take of that species; or

(C) There is a known demand to visit, take, or disturb, and the species behavior or ecology renders it especially vulnerable or the species has an extremely limited distribution and concentration,

(yy) The personally identifying information of persons who acquire recreational licenses under RCW 77.32.010 or commercial licenses under chapter 77.65 or 77.70 RCW, except name, address of contact used by the department, and type of license, endorsement, or tag. However, the department of fish and wildlife may disclose personally identifying information to:

(i) Government agencies concerned with the management of fish and wildlife resources;

(ii) The department of social and health services, child support division, and to the department of licensing in order to implement RCW 77.32.014 and 46.20.291; and

(iii) Law enforcement agencies for the purpose of firearm possession enforcement under RCW 9.41.040,

(2) Except for information described in subsection (1)(c)(i) of this section and confidential income data exempted from public inspection pursuant to RCW 84.40.020, the exemptions of this section are inapplicable to the extent that information, the disclosure of which would violate personal privacy or vital governmental interests, can be deleted from the specific records sought. No exemption may be construed to permit the nondisclosure of statistical information not descriptive of any readily identifiable person or persons.

(3) Inspection or copying of any specific records exempt under the provisions of this section may be permitted if the superior court in the county in which the record is maintained finds, after a hearing with notice thereof to every person in interest and the agency, that the exemption of such records is clearly unnecessary to protect any individual's right of privacy or any vital governmental function.

(4) Agency responses refusing, in whole or in part, inspection of any public record shall include a statement of the specific exemption authorizing the withholding of the record (or part) and a brief explanation of how the exemption applies to the record withheld.

Passed the House April 16, 2001.

Passed the Senate April 10, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 279

[Substitute House Bill 2104]

FOREST FIRE PROTECTION—FUNDING

AN ACT Relating to funding for forest fire protection; amending RCW 76.04.167 and 76.04.610; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 76.04.167 and 1995 c 151 s 1 are each amended to read as follows:

(1) The legislature hereby finds and declares that:

(a) Forest wild fires are a threat to public health and safety and can cause catastrophic damage to public and private resources, including clean air, clean water, fish and wildlife habitat, timber resources, forest soils, scenic beauty, recreational opportunities, economic and employment opportunities, structures, and other improvements; ((and that it is in the public interest to protect forests and forest resources by preventing and suppressing forest wild fires.))

(b) Forest landowners and the public have a shared interest in protecting forests and forest resources by preventing and suppressing forest wild fires;

(c) A recent independent analysis of the state fire program considered it imperative to restore a more equitable split between the general fund and forest protection assessments;

(d) Without a substantial increase in forest protection funds, the state's citizens will be paying much more money for emergency fire suppression; and

(e) It is therefore the intent of the legislature that the costs of fire protection be equitably shared between the forest protection assessment account and state contributions to ensure that there will be sufficient fire fighters who are equipped and trained to respond quickly to fires in order to keep fires small and manage those large fires that do occur. In recognition of increases in landowner assessments, the legislature declares its intent that increases in the state's share for forest protection should be provided to stabilize the funding for the forest protection program, and that sufficient state funds should be committed to the forest protection program so that the recommendations contained in the 1997 tridata report can be implemented on an equitable basis.

(2) The legislature hereby finds and declares that it is in the public interest to establish and maintain a complete, cooperative, and coordinated forest fire protection and suppression program for the state; that, second only to saving lives, the primary mission of the department is protecting forest resources and suppressing forest wild fires; that a primary mission of rural fire districts and municipal fire departments is protecting improved property and suppressing structural fires; and that the most effective way to protect structures is for the department to focus its efforts and resources on aggressively suppressing forest wild fires.

(3) The legislature also acknowledges the natural role of fire in forest ecosystems, and finds and declares it in the public interest to use fire under controlled conditions to prevent wild fires by maintaining healthy forests and eliminating sources of fuel.

Sec. 2. RCW 76.04.610 and 1993 c 36 s 1 are each amended to read as follows:

(1) If any owner of forest land within a forest protection zone neglects or fails to provide adequate fire protection as required by RCW 76.04.600, the department shall provide such protection and shall annually impose the following assessments on each parcel of such land: (a) A flat fee assessment of fourteen dollars and fifty cents; and (b) ~~((twenty-two))~~ twenty-five cents on each acre exceeding fifty acres. Assessors may, at their option, collect the assessment on tax exempt lands. If the assessor elects not to collect the assessment, the department may bill the landowner directly.

(2) An owner who has paid assessments on two or more parcels, each containing fewer than fifty acres and each within the same county, may obtain the following refund:

(a) If all the parcels together contain less than fifty acres, then the refund is equal to the flat fee assessments paid, reduced by the total of (i) fourteen dollars and (ii) the total of the amounts retained by the county from such assessments under subsection (5) of this section.

(b) If all the parcels together contain fifty or more acres, then the refund is equal to the flat fee assessments paid, reduced by the total of (i) fourteen dollars, (ii) ~~((twenty-two))~~ twenty-five cents for each acre exceeding fifty acres, and (iii) the total of the amounts retained by the county from such assessments under subsection (5) of this section.

Applications for refunds shall be submitted to the department on a form prescribed by the department and in the same year in which the assessments were paid. The department may not provide refunds to applicants who do not provide verification that all assessments and property taxes on the property have been paid. Applications may be made by mail.

In addition to the procedures under this subsection, property owners with multiple parcels in a single county who qualify for a refund under this section may apply to the department on an application listing all the parcels owned in order to have the assessment computed on all parcels but billed to a single parcel. Property owners with the following number of parcels may apply to the department in the year indicated:

<u>Year</u>	<u>Number of Parcels</u>
<u>2002</u>	<u>10 or more parcels</u>
<u>2002</u>	<u>8 or more parcels</u>
<u>2004</u>	<u>8 or more parcels</u>
<u>2005</u>	<u>4 or more parcels</u>
<u>2006 and thereafter</u>	<u>2 or more parcels</u>

The department must compute the correct assessment and allocate one parcel in the county to use to collect the assessment. The county must then bill the forest fire protection assessment on that one allocated identified parcel. The landowner is responsible for notifying the department of any changes in parcel ownership.

(3) Beginning January 1, 1991, under the administration and at the discretion of the department up to two hundred thousand dollars per year of this assessment

shall be used in support of those rural fire districts assisting the department in fire protection services on forest lands.

(4) For the purpose of this chapter, the department may divide the forest lands of the state, or any part thereof, into districts, for fire protection and assessment purposes, may classify lands according to the character of timber prevailing, and the fire hazard existing, and place unprotected lands under the administration of the proper district. Amounts paid or contracted to be paid by the department for protection of forest lands from funds at its disposal shall be a lien upon the property protected, unless reimbursed by the owner within ten days after October 1st of the year in which they were incurred. The department shall be prepared to make statement thereof, upon request, to a forest owner whose own protection has not been previously approved as to its adequacy, the department shall report the same to the assessor of the county in which the property is situated. The assessor shall extend the amounts upon the tax rolls covering the property, and upon authorization from the department shall levy the forest protection assessment against the amounts of unimproved land as shown in each ownership on the county assessor's records. The assessor may then segregate on the records to provide that the improved land and improvements thereon carry the millage levy designed to support the rural fire protection districts as provided for in RCW 52.16.170.

(5) The amounts assessed shall be collected at the time, in the same manner, by the same procedure, and with the same penalties attached that general state and county taxes on the same property are collected, except that errors in assessments may be corrected at any time by the department certifying them to the treasurer of the county in which the land involved is situated. Assessments shall be known and designated as assessments of the year in which the amounts became reimbursable. Upon the collection of assessments the county treasurer shall place fifty cents of the total assessments paid on a parcel for fire protection into the county current expense fund to defray the costs of listing, billing, and collecting these assessments. The treasurer shall then transmit the balance to the department. Collections shall be applied against expenses incurred in carrying out the provisions of this section, including necessary and reasonable administrative costs incurred by the department in the enforcement of these provisions. The department may also expend sums collected from owners of forest lands or received from any other source for necessary administrative costs in connection with the enforcement of RCW 76.04.660.

(6) When land against which forest protection assessments are outstanding is acquired for delinquent taxes and sold at public auction, the state shall have a prior lien on the proceeds of sale over and above the amount necessary to satisfy the county's delinquent tax judgment. The county treasurer, in case the proceeds of sale exceed the amount of the delinquent tax judgment, shall immediately remit to the department the amount of the outstanding forest protection assessments.

(7) All nonfederal public bodies owning or administering forest land included in a forest protection zone shall pay the forest protection assessments provided in

this section and the special forest fire suppression account assessments under RCW 76.04.630. The forest protection assessments and special forest fire suppression account assessments shall be payable by nonfederal public bodies from available funds within thirty days following receipt of the written notice from the department which is given after October 1st of the year in which the protection was provided. Unpaid assessments ~~((shall))~~ are not ~~((be))~~ a lien against the nonfederal publicly owned land but shall constitute a debt by the nonfederal public body to the department and ~~((shall-be))~~ are subject to interest charges at the legal rate.

(8) A public body, having failed to previously pay the forest protection assessments required of it by this section, which fails to suppress a fire on or originating from forest lands owned or administered by it, ~~((shall-be))~~ is liable for the costs of suppression incurred by the department or its agent and ~~((shall))~~ is not ~~((be))~~ entitled to reimbursement of costs incurred by the public body in the suppression activities.

(9) The department may adopt rules to implement this section, including, but not limited to, rules on levying and collecting forest protection assessments.

NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2001, in the omnibus appropriations act, this act is null and void.

Passed the House April 22, 2001.

Passed the Senate April 20, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 280

{Substitute House Bill 2105}

SMALL FOREST LANDOWNERS

AN ACT Relating to small forest landowners; amending RCW 76.13.110 and 76.13.120; and adding a new section to chapter 76.13 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 76.13.110 and 2000 c 11 s 12 are each amended to read as follows:

(1) The department of natural resources shall establish and maintain a small forest landowner office. The small forest landowner office shall be a resource and focal point for small forest landowner concerns and policies, and shall have significant expertise regarding the management of small forest holdings, governmental programs applicable to such holdings, and the forestry riparian easement program.

(2) The small forest landowner office shall administer the provisions of the forestry riparian easement program created under RCW 76.13.120. With respect to that program, the office shall have the authority to contract with private consultants that the office finds qualified to perform timber cruises of forestry

riparian easements or to lay out streamside buffers and comply with other forest and fish regulatory requirements related to the forest riparian easement program.

(3) The small forest landowner office shall assist in the development of small landowner options through alternate management plans or alternate harvest restrictions appropriate to small landowners. The small forest landowner office shall develop criteria to be adopted by the forest practices board in rules and a manual for alternate management plans or alternate harvest restrictions. These alternate plans or alternate harvest restrictions shall meet riparian functions while requiring less costly regulatory prescriptions. At the landowner's option, alternate plans or alternate harvest restrictions may be used to further meet riparian functions.

The small forest landowner office shall evaluate the cumulative impact of such alternate management plans or alternate harvest restrictions on essential riparian functions at the subbasin or watershed level. The small forest landowner office shall adjust future alternate management plans or alternate harvest restrictions in a manner that will minimize the negative impacts on essential riparian functions within a subbasin or watershed.

(4) An advisory committee is established to assist the small forest landowner office in developing policy and recommending rules to the forest practices board. The advisory committee shall consist of seven members, including a representative from the department of ecology, the department of fish and wildlife, and a tribal representative. Four additional committee members shall be small forest landowners who shall be appointed by the commissioner of public lands from a list of candidates submitted by the board of directors of the Washington farm forestry association or its successor organization. The association shall submit more than one candidate for each position. Appointees shall serve for a term of four years. The small forest landowner office shall review draft rules or rule concepts with the committee prior to recommending such rules to the forest practices board. The office shall reimburse nongovernmental committee members for reasonable expenses associated with attending committee meetings as provided in RCW 43.03.050 and 43.03.060.

(5) By December 1, (~~2000~~) 2002, the small forest landowner office shall provide a report to the board and the legislature containing:

(a) Estimates of the amounts of nonindustrial forests and woodlands in holdings of twenty acres or less, twenty-one to one hundred acres, one hundred to one thousand acres, and one thousand to five thousand acres, in western Washington and eastern Washington, and the number of persons having total nonindustrial forest and woodland holdings in those size ranges;

(b) Estimates of the number of parcels of nonindustrial forests and woodlands held in contiguous ownerships of twenty acres or less, and the percentages of those parcels containing improvements used: (i) As primary residences for half or more of most years; (ii) as vacation homes or other temporary residences for less than half of most years; and (iii) for other uses;

(c) The watershed administrative units in which significant portions of the riparian areas or total land area are nonindustrial forests and woodlands;

(d) Estimates of the number of forest practices applications and notifications filed per year for forest road construction, silvicultural activities to enhance timber growth, timber harvest not associated with conversion to nonforest land uses, with estimates of the number of acres of nonindustrial forests and woodlands on which forest practices are conducted under those applications and notifications; and

(e) Recommendations on ways the board and the legislature could provide more effective incentives to encourage continued management of nonindustrial forests and woodlands for forestry uses in ways that better protect salmon, other fish and wildlife, water quality, and other environmental values.

(6) By December 1, (~~2002~~) 2004, and every four years thereafter, the small forest landowner office shall provide to the board and the legislature an update of the report described in subsection (5) of this section, containing more recent information and describing:

(a) Trends in the items estimated under subsection (5)(a) through (d) of this section;

(b) Whether, how, and to what extent the forest practices act and rules contributed to those trends; and

(c) Whether, how, and to what extent: (i) The board and legislature implemented recommendations made in the previous report; and (ii) implementation of or failure to implement those recommendations affected those trends.

Sec. 2. RCW 76.13.120 and 2000 c 11 s 13 are each amended to read as follows:

(1) The legislature finds that the state should acquire easements along riparian and other sensitive aquatic areas from small forest landowners willing to sell or donate such easements to the state provided that the state will not be required to acquire such easements if they are subject to unacceptable liabilities. The legislature therefore establishes a forestry riparian easement program.

(2) The definitions in this subsection apply throughout this section and RCW 76.13.100 and 76.13.110 unless the context clearly requires otherwise.

(a) "Forestry riparian easement" means an easement covering qualifying timber granted voluntarily to the state by a small forest landowner.

(b) "Qualifying timber" means those trees covered by a forest practices application that the small forest landowner is required to leave unharvested under the rules adopted under RCW 76.09.055 and 76.09.370 or that is made uneconomic to harvest by those rules, and for which the small landowner is willing to grant the state a forestry riparian easement. "Qualifying timber" is timber within or bordering a commercially reasonable harvest unit as determined under rules adopted by the forest practices board, or timber for which an approved forest practices application for timber harvest cannot be obtained because of restrictions under the forest practices rules.

(c) "Small forest landowner" means a landowner meeting all of the following characteristics: (i) A forest landowner as defined in RCW 76.09.020 whose interest in the land and timber is in fee or who has rights to the timber to be included in the forestry riparian easement that extend at least fifty years from the date the forest practices application associated with the easement is submitted; (ii) an entity that has harvested from its own lands in this state during the three years prior to the year of application an average timber volume that would qualify the owner as a small timber harvester under RCW 84.33.073(1); and (iii) an entity that certifies at the time of application that it does not expect to harvest from its own lands more than the volume allowed by RCW 84.33.073(1) during the ten years following application. If a landowner's prior three-year average harvest exceeds the limit of RCW 84.33.073(1), or the landowner expects to exceed this limit during the ten years following application, and that landowner establishes to the department of natural resources' reasonable satisfaction that the harvest limits were or will be exceeded to raise funds to pay estate taxes or equally compelling and unexpected obligations such as court-ordered judgments or extraordinary medical expenses, the landowner shall be deemed to be a small forest landowner.

For purposes of determining whether a person qualifies as a small forest landowner, the small forest landowner office, created in RCW 76.13.110, shall evaluate the landowner under this definition as of the date that the forest practices application is submitted or the date the landowner notifies the department that the harvest is to begin with which the forestry riparian easement is associated. A small forest landowner can include an individual, partnership, corporate, or other nongovernmental legal entity. If a landowner grants timber rights to another entity for less than five years, the landowner may still qualify as a small forest landowner under this section. If a landowner is unable to obtain an approved forest practices application for timber harvest for any of his or her land because of restrictions under the forest practices rules, the landowner may still qualify as a small forest landowner under this section.

(d) "Completion of harvest" means that the trees have been harvested from an area and that further entry into that area by mechanized logging or slash treating equipment is not expected.

(3) The department of natural resources is authorized and directed to accept and hold in the name of the state of Washington forestry riparian easements granted by small forest landowners covering qualifying timber and to pay compensation to such landowners in accordance with subsections (6) and (7) of this section. The department of natural resources may not transfer the easements to any entity other than another state agency.

(4) Forestry riparian easements shall be effective for fifty years from the date the forest practices application associated with the qualifying timber is submitted to the department of natural resources, unless the easement is terminated earlier by the department of natural resources voluntarily, based on a determination that

termination is in the best interest of the state, or under the terms of a termination clause in the easement.

(5) Forestry riparian easements shall be restrictive only, and shall preserve all lawful uses of the easement premises by the landowner that are consistent with the terms of the easement and the requirement to protect riparian functions during the term of the easement, subject to the restriction that the leave trees required by the rules to be left on the easement premises may not be cut during the term of the easement. No right of public access to or across, or any public use of the easement premises is created by this statute or by the easement. Forestry riparian easements shall not be deemed to trigger the compensating tax of or otherwise disqualify land from being taxed under chapter 84.33 or 84.34 RCW.

(6) Upon application of a small forest landowner for a riparian easement that is associated with a forest practices application and the landowner's marking of the qualifying timber on the qualifying lands, the small forest landowner office shall determine the compensation to be offered to the small forest landowner as provided for in this section. The small forest landowner office shall also determine the compensation to be offered to a small forest landowner for qualifying timber for which an approved forest practices application for timber harvest cannot be obtained because of restrictions under the forest practices rules. The legislature recognizes that there is not readily available market transaction evidence of value for easements of this nature, and thus establishes the following methodology to ascertain the value for forestry riparian easements. Values so determined shall not be considered competent evidence of value for any other purpose.

The small forest landowner office shall establish the volume of the qualifying timber. Based on that volume and using data obtained or maintained by the department of revenue under RCW 84.33.074 and 84.33.091, the small forest landowner office shall attempt to determine the fair market value of the qualifying timber as of the date the forest practices application associated with the qualifying timber was submitted or the date the landowner notifies the department that the harvest is to begin. If, under the forest practices rules adopted under chapter 4, Laws of 1999 sp. sess., some qualifying timber may be removed prior to the expiration of the fifty-year term of the easement, the small forest landowner office shall apply a reduced compensation factor to ascertain the value of those trees based on the proportional economic value, considering income and growth, lost to the landowner.

(7) Except as provided in subsection (8) of this section, the small forest landowner office shall, subject to available funding, offer compensation to the small forest landowner in the amount of fifty percent of the value determined in subsection (6) of this section, plus the compliance costs as determined in accordance with section 3 of this act. If the landowner accepts the offer for qualifying timber that will be harvested pursuant to an approved forest practices application, the department of natural resources shall pay the compensation promptly upon (a) completion of harvest in the area covered by the forestry

riparian easement; (b) verification that there has been compliance with the rules requiring leave trees in the easement area; and (c) execution and delivery of the easement to the department of natural resources. If the landowner accepts the offer for qualifying timber for which an approved forest practices application for timber harvest cannot be obtained because of restrictions under the forest practices rules, the department of natural resources shall pay the compensation promptly upon (i) verification that there has been compliance with the rules requiring leave trees in the easement area; and (ii) execution and delivery of the easement to the department of natural resources. Upon donation or payment of compensation, the department of natural resources may record the easement.

(8) For approved forest practices applications where the regulatory impact is greater than the average percentage impact for all small landowners as determined by the department of natural resources analysis under the regulatory fairness act, chapter 19.85 RCW, the compensation offered will be increased to one hundred percent for that portion of the regulatory impact that is in excess of the average. Regulatory impact includes trees left in buffers, special management zones, and those rendered uneconomic to harvest by these rules. A separate average or high impact regulatory threshold shall be established for western and eastern Washington. Criteria for these measurements and payments shall be established by the small forest landowner office.

(9) The forest practices board shall adopt rules under the administrative procedure act, chapter 34.05 RCW, to implement the forestry riparian easement program, including the following:

(a) A standard version or versions of all documents necessary or advisable to create the forestry riparian easements as provided for in this section;

(b) Standards for descriptions of the easement premises with a degree of precision that is reasonable in relation to the values involved;

(c) Methods and standards for cruises and valuation of forestry riparian easements for purposes of establishing the compensation. The department of natural resources shall perform the timber cruises of forestry riparian easements required under this chapter and chapter 76.09 RCW. Any rules concerning the methods and standards for valuations of forestry riparian easements shall apply only to the department of natural resources, small forest landowners, and the small forest landowner office;

(d) A method to determine that a forest practices application involves a commercially reasonable harvest, and adopt criteria for entering into a forest riparian easement where a commercially reasonable harvest is not possible or a forest practices application that has been submitted cannot be approved because of restrictions under the forest practices rules;

(e) A method to address blowdown of qualified timber falling outside the easement premises;

(f) A formula for sharing of proceeds in relation to the acquisition of qualified timber covered by an easement through the exercise or threats of eminent domain

by a federal or state agency with eminent domain authority, based on the present value of the department of natural resources' and the landowner's relative interests in the qualified timber;

(g) High impact regulatory thresholds;

(h) A method to determine timber that is qualifying timber because it is rendered uneconomic to harvest by the rules adopted under RCW 76.09.055 and 76.09.370; and

(i) A method for internal department of natural resources review of small forest landowner office compensation decisions under subsection (7) of this section.

NEW SECTION. Sec. 3. A new section is added to chapter 76.13 RCW to read as follows:

In order to assist small forest landowners to remain economically viable, the legislature intends that the small forest landowners be able to net fifty percent of the value of the trees left in the buffer areas. The amount of compensation offered in RCW 76.13.120 shall also include the compliance costs for participation in the riparian easement program. For purposes of this section, "compliance costs" includes the cost of preparing and recording the easement, and any business and occupation tax and real estate excise tax imposed because of entering into the easement.

Passed the House April 16, 2001.

Passed the Senate April 11, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 281

[Engrossed Substitute House Bill 2172]

SPECIALTY PLUMBER'S CERTIFICATE OF COMPETENCY—BACKFLOW PREVENTION ASSEMBLIES

AN ACT Relating to the repair and maintenance of backflow prevention assemblies; amending RCW 18.106.010 and 18.106.040; adding a new section to chapter 18.106 RCW; and adding a new section to chapter 19.27 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 18.106.010 and 1997 c 326 s 2 are each amended to read as follows:

Unless a different meaning is plainly required by the context, the following words and phrases as hereinafter used in this chapter shall have the following meaning:

- (1) "Advisory board" means the state advisory board of plumbers;
- (2) "Department" means the department of labor and industries;
- (3) "Director" means the director of department of labor and industries;

(4) "Journeyman plumber" means any person who has been issued a certificate of competency by the department of labor and industries as provided in this chapter;

(5) "Medical gas piping" means oxygen, nitrous oxide, high pressure nitrogen, medical compressed air, and medical vacuum systems;

(6) "Medical gas piping installer" means a journeyman plumber who has been issued a medical gas piping installer endorsement;

(7) "Plumbing" means that craft involved in installing, altering, repairing and renovating potable water systems, liquid waste systems, and medical gas piping systems within a building. Installation in a water system of water softening or water treatment equipment is not within the meaning of plumbing as used in this chapter;

(8) "Specialty plumber" means anyone who has been issued a specialty certificate of competency limited to:

(a) Installation, maintenance, and repair of the plumbing of single-family dwellings, duplexes, and apartment buildings that do not exceed three stories; or

(b) Maintenance and repair of backflow prevention assemblies.

Sec. 2. RCW 18.106.040 and 1977 ex.s. c 149 s 4 are each amended to read as follows:

(1) Upon receipt of the application and evidence set forth in RCW 18.106.030, the director shall review the same and make a determination as to whether the applicant is eligible to take an examination for the certificate of competency. To be eligible to take the examination;

(a) Each applicant for a journeyman plumber's certificate of competency shall furnish written evidence that he or she has ~~((either))~~ completed a course of study in the plumbing trade in the armed services of the United States or at a school ~~((accredited))~~ licensed by the ~~((coordinating council on occupational education;))~~ work force training and education coordinating board, or ~~((that he))~~ has had four or more years of experience under the direct supervision of a licensed journeyman plumber.

(b) Each applicant for a specialty plumber's certificate of competency under RCW 18.106.010(8)(a) shall furnish written evidence that he or she has ~~((either))~~ completed a course of study in the plumbing trade in the armed services of the United States or at a school ~~((accredited))~~ licensed by the ~~((commission for vocational education or its designee))~~ work force training and education coordinating board under chapter 28C.10 RCW, or that he or she has had at least three years practical experience in ~~((his))~~ the specialty. ~~((No other requirement for eligibility may be imposed.))~~

(c) Each applicant for a specialty plumber's certificate of competency under RCW 18.106.010(8)(b) shall furnish written evidence that he or she is eligible to take the examination. These eligibility requirements shall be adopted by rule by the director pursuant to subsection (2)(b) of this section.

~~(2)(a) The director shall establish reasonable rules ((and regulations)) for the examinations to be given applicants for certificates of competency. In establishing ((said)) the rules, ((regulations, and criteria,)) the director shall consult with the state advisory board of plumbers as established in RCW 18.106.110.~~

~~(b) The director shall establish reasonable criteria by rule for determining an applicant's eligibility to take an examination for the certificate of competency for specialty plumbers under subsection (1)(c) of this section. In establishing the criteria, the director shall consult with the state advisory board of plumbers as established in RCW 18.106.110. These rules must take effect by July 1, 2002.~~

~~(3) Upon determination that the applicant is eligible to take the examination, the director shall so notify ((him)) the applicant, indicating the time and place for taking the same.~~

~~(4) No other requirement for eligibility may be imposed.~~

NEW SECTION. Sec. 3. A new section is added to chapter 18.106 RCW to read as follows:

(1) Those actively certified by the department of health on or before July 1, 2001, as backflow assembly testers and registered as a contractor under chapter 18.27 RCW or employed by a registered contractor, may perform maintenance and repair of backflow prevention assemblies, without being a certified plumber under this chapter, until January 1, 2003. For the purposes of this section, "maintenance and repair" include cleaning and replacing internal parts of an assembly, but do not include installing or replacing backflow prevention assemblies.

(2) After January 1, 2003, backflow assembly testers exempted under subsection (1) of this section are required to meet the eligibility requirements for a specialty plumber's certificate of competency under RCW 18.106.040(1)(c).

***NEW SECTION.** Sec. 4. A new section is added to chapter 19.27 RCW to read as follows:

The owner of a building classified as a group R, division 3 occupancy, as defined in the state building code adopted under this chapter, shall have the backflow prevention assembly tested by a department of health certified backflow assembly tester:

(1) At the time of installation, repair, or relocation, if required by the local official, board, department, or agency authorized to administer and enforce the provisions of the uniform plumbing code as adopted under this chapter; or

(2) When such official, board, department, or agency finds that cross-connection control within the property lines of the premises may fail to prevent pollution or contamination of the domestic water supply.

*Sec. 4 was vetoed. See message at end of chapter.

Passed the House April 19, 2001.

Passed the Senate April 10, 2001.

Approved by the Governor May 11, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 11, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 4, Engrossed Substitute House Bill No. 2172 entitled:

"AN ACT Relating to the repair and maintenance of backflow prevention assemblies;"

Engrossed Substitute House Bill No. 2172 creates a specialty plumber's certificate of competency for the maintenance and repair of backflow prevention assemblies. This bill will make it easier and more cost effective to conduct annual inspections of backflow prevention assemblies by increasing the number of available inspectors.

Section 4 of the bill would have repealed the requirement that backflow prevention devices in residential dwellings be annually inspected. Such action would compromise the health and safety of Washington residents and the integrity of our state's potable water. Without a state inspection requirement, local governments would likely impose their own requirements, resulting in a multitude of differing standards.

For these reasons I have vetoed section 4 of Engrossed Substitute House Bill No. 2172.

With the exception of section 4, Engrossed Substitute House Bill No. 2172 is approved."

CHAPTER 282

[Substitute House Bill 2184]

TAXATION—PARK MODEL TRAILERS

AN ACT Relating to revising the excise tax treatment of park model trailers to provide the same tax treatment as that given to mobile homes; amending RCW 82.45.032; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating a new section; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** It is the intent of the legislature to promote fairness in the application of tax. Therefore, for the purposes of excise tax, park model trailers will be taxed in the same manner as mobile homes.

Sec. 2. RCW 82.45.032 and 1993 sp.s. c 25 s 504 are each amended to read as follows:

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

(1) "Real estate" or "real property" means any interest, estate, or beneficial interest in land or anything affixed to land, including the ownership interest or beneficial interest in any entity which itself owns land or anything affixed to land. The term includes used mobile homes, used park model trailers, used floating homes, and improvements constructed upon leased land.

(2) "Used mobile home" means a mobile home which has been previously sold at retail and has been subjected to tax under chapter 82.08 RCW, or which has been previously used and has been subjected to tax under chapter 82.12 RCW, and which has substantially lost its identity as a mobile unit at the time of sale by virtue of its being fixed in location upon land owned or leased by the owner of the mobile home and placed on a foundation (posts or blocks) with fixed pipe connections with sewer, water, and other utilities.

(3) "Mobile home" means a mobile home as defined by RCW 46.04.302, as now or hereafter amended.

(4) "Park model trailer" means a park model trailer as defined in RCW 46.04.622.

(5) "Used floating home" means a floating home in respect to which tax has been paid under chapter 82.08 or 82.12 RCW.

~~((5))~~ (6) "Used park model trailer" means a park model trailer that has been previously sold at retail and has been subjected to tax under chapter 82.08 RCW, or that has been previously used and has been subjected to tax under chapter 82.12 RCW, and that has substantially lost its identity as a mobile unit by virtue of its being permanently sited in location and placed on a foundation of either posts or blocks with connections with sewer, water, or other utilities for the operation of installed fixtures and appliances.

(7) "Floating home" means a building on a float used in whole or in part for human habitation as a single-family dwelling, which is not designed for self propulsion by mechanical means or for propulsion by means of wind, and which is on the property tax rolls of the county in which it is located.

NEW SECTION. Sec. 3. A new section is added to chapter 82.08 RCW to read as follows:

The tax imposed by RCW 82.08.020 shall not apply to:

(1) Sales of used park model trailers, as defined in RCW 82.45.032;

(2) The renting or leasing of used park model trailers, as defined in RCW 82.45.032, when the rental agreement or lease exceeds thirty days in duration.

NEW SECTION. Sec. 4. A new section is added to chapter 82.12 RCW to read as follows:

The provisions of this chapter shall not apply with respect to the use of used park model trailers, as defined in RCW 82.45.032.

NEW SECTION. Sec. 5. This act takes effect August 1, 2001.

Passed the House April 13, 2001.

Passed the Senate April 6, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.

CHAPTER 283

[Engrossed Substitute Senate Bill 6143]

SEX OFFENDERS—NOTIFICATION

AN ACT Relating to community notification for risk level III sex and kidnapping offenders; and amending RCW 65.16.020 and 4.24.550.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 65.16.020 and 1961 c 279 s 1 are each amended to read as follows:

The qualifications of a legal newspaper are that such newspaper shall have been published regularly, at least once a week, in the English language, as a newspaper of general circulation, in the city or town where the same is published at the time of application for approval, for at least six months prior to the date of such application; shall be compiled either in whole or in part in an office maintained at the place of publication; shall contain news of general interest as contrasted with news of interest primarily to an organization, group or class; shall have a policy to print all statutorily required legal notices; and shall hold a ((second)) periodical class mailing permit: PROVIDED, That in case of the consolidation of two or more newspapers, such consolidated newspaper shall be considered as qualified if either or any of the papers so consolidated would be a qualified newspaper at the date of such legal publication, had not such consolidation taken place: PROVIDED, That this section shall not disqualify as a legal newspaper any publication which, prior to June 8, 1961, was adjudged a legal newspaper, so long as it continues to meet the requirements under which it qualified.

Sec. 2. RCW 4.24.550 and 1998 c 220 s 6 are each amended to read as follows:

(1) Public agencies are authorized to release information to the public regarding sex offenders and kidnapping offenders when the agency determines that disclosure of the information is relevant and necessary to protect the public and counteract the danger created by the particular offender. This authorization applies to information regarding: (a) Any person adjudicated or convicted of a sex offense as defined in RCW 9A.44.130 or a kidnapping offense as defined by RCW 9A.44.130; (b) any person under the jurisdiction of the indeterminate sentence review board as the result of a sex offense or kidnapping offense; (c) any person committed as a sexually violent predator under chapter 71.09 RCW or as a sexual psychopath under chapter 71.06 RCW; (d) any person found not guilty of a sex offense or kidnapping offense by reason of insanity under chapter 10.77 RCW; and (e) any person found incompetent to stand trial for a sex offense or kidnapping offense and subsequently committed under chapter 71.05 or 71.34 RCW.

(2) The extent of the public disclosure of relevant and necessary information shall be rationally related to: (a) The level of risk posed by the offender to the community; (b) the locations where the offender resides, expects to reside, or is regularly found; and (c) the needs of the affected community members for information to enhance their individual and collective safety.

(3) Local law enforcement agencies shall consider the following guidelines in determining the extent of a public disclosure made under this section: (a) For offenders classified as risk level I, the agency shall share information with other appropriate law enforcement agencies and may disclose, upon request, relevant, necessary, and accurate information to any victim or witness to the offense and to any individual community member who lives near the residence where the offender resides, expects to reside, or is regularly found; (b) for offenders classified as risk

level II, the agency may also disclose relevant, necessary, and accurate information to public and private schools, child day care centers, family day care providers, businesses and organizations that serve primarily children, women, or vulnerable adults, and neighbors and community groups near the residence where the offender resides, expects to reside, or is regularly found; and (c) for offenders classified as risk level III, the agency may also disclose relevant, necessary, and accurate information to the public at large.

(4) The county sheriff with whom an offender classified as risk level III is registered shall cause to be published by legal notice, advertising, or news release a sex offender community notification that conforms to the guidelines established under RCW 4.24.5501 in at least one legal newspaper with general circulation in the area of the sex offender's registered address or location. The county sheriff shall also cause to be published consistent with this subsection a current list of level III registered sex offenders, twice yearly. This list shall be maintained by the county sheriff on a publicly accessible web site and shall be updated at least once per month.

(5) Local law enforcement agencies that disseminate information pursuant to this section shall: (a) Review available risk level classifications made by the department of corrections, the department of social and health services, and the indeterminate sentence review board; (b) assign risk level classifications to all offenders about whom information will be disseminated; and (c) make a good faith effort to notify the public and residents at least fourteen days before the offender is released from confinement or, where an offender moves from another jurisdiction, as soon as possible after the agency learns of the offender's move, except that in no case may this notification provision be construed to require an extension of an offender's release date. The juvenile court shall provide local law enforcement officials with all relevant information on offenders allowed to remain in the community in a timely manner.

~~((5))~~ (6) An appointed or elected public official, public employee, or public agency as defined in RCW 4.24.470 is immune from civil liability for damages for any discretionary risk level classification decisions or release of relevant and necessary information, unless it is shown that the official, employee, or agency acted with gross negligence or in bad faith. The immunity in this section applies to risk level classification decisions and the release of relevant and necessary information regarding any individual for whom disclosure is authorized. The decision of a local law enforcement agency or official to classify an offender to a risk level other than the one assigned by the department of corrections, the department of social and health services, or the indeterminate sentence review board, or the release of any relevant and necessary information based on that different classification shall not, by itself, be considered gross negligence or bad faith. The immunity provided under this section applies to the release of relevant and necessary information to other public officials, public employees, or public agencies, and to the general public.

~~((6))~~ (7) Except as may otherwise be provided by law, nothing in this section shall impose any liability upon a public official, public employee, or public agency for failing to release information authorized under this section.

~~((7))~~ (8) Nothing in this section implies that information regarding persons designated in subsection (1) of this section is confidential except as may otherwise be provided by law.

~~((8))~~ (9) When a local law enforcement agency or official classifies an offender differently than the offender is classified by the department of corrections, the department of social and health services, or the indeterminate sentence review board, the law enforcement agency or official shall notify the appropriate department or the board and submit its reasons supporting the change in classification.

Passed the Senate April 11, 2001.

Passed the House April 21, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 284

[Senate Bill 5063]

LIMITED PUBLIC WORKS

AN ACT Relating to limited public works; and amending RCW 39.04.155.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 39.04.155 and 2000 c 138 s 101 are each amended to read as follows:

(1) This section provides uniform small works roster provisions to award contracts for construction, building, renovation, remodeling, alteration, repair, or improvement of real property that may be used by state agencies and by any local government that is expressly authorized to use these provisions. These provisions may be used in lieu of other procedures to award contracts for such work with an estimated cost of two hundred thousand dollars or less. The small works roster process includes the limited public works process authorized under subsection (3) of this section and any local government authorized to award contracts using the small works roster process under this section may award contracts using the limited public works process under subsection (3) of this section.

(2)(a) A state agency or authorized local government may create a single general small works roster, or may create a small works roster for different specialties or categories of anticipated work. Where applicable, small works rosters may make distinctions between contractors based upon different geographic areas served by the contractor. The small works roster or rosters shall consist of all responsible contractors who have requested to be on the list, and where required by law are properly licensed or registered to perform such work in this state. A state agency or local government establishing a small works roster or rosters may

require eligible contractors desiring to be placed on a roster or rosters to keep current records of any applicable licenses, certifications, registrations, bonding, insurance, or other appropriate matters on file with the state agency or local government as a condition of being placed on a roster or rosters. At least once a year, the state agency or local government shall publish in a newspaper of general circulation within the jurisdiction a notice of the existence of the roster or rosters and solicit the names of contractors for such roster or rosters. In addition, responsible contractors shall be added to an appropriate roster or rosters at any time they submit a written request and necessary records. Master contracts may be required to be signed that become effective when a specific award is made using a small works roster.

~~((3))~~ (b) A state agency establishing a small works roster or rosters shall adopt rules implementing this ~~((section))~~ subsection. A local government establishing a small works roster or rosters shall adopt an ordinance or resolution implementing this ~~((section))~~ subsection. Procedures included in rules adopted by the department of general administration in implementing this ~~((section))~~ subsection must be included in any rules providing for a small works roster or rosters that is adopted by another state agency, if the authority for that state agency to engage in these activities has been delegated to it by the department of general administration under chapter 43.19 RCW. An interlocal contract or agreement between two or more state agencies or local governments establishing a small works roster or rosters to be used by the parties to the agreement or contract must clearly identify the lead entity that is responsible for implementing the provisions of this ~~((section))~~ subsection.

~~((4))~~ (c) Procedures shall be established for securing telephone, written, or electronic quotations from contractors on the appropriate small works roster to assure that a competitive price is established and to award contracts to the lowest responsible bidder, as defined in RCW 43.19.1911. Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. This ~~((section))~~ subsection does not eliminate other requirements for architectural or engineering approvals as to quality and compliance with building codes. Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster. However, if the estimated cost of the work is from one hundred thousand dollars to two hundred thousand dollars, a state agency or local government, other than a port district, that chooses to solicit bids from less than all the appropriate contractors on the appropriate small works roster must also notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought. The government has the sole option

of determining whether this notice to the remaining contractors is made by: ~~((a))~~ (i) Publishing notice in a legal newspaper in general circulation in the area where the work is to be done; ~~((b))~~ (ii) mailing a notice to these contractors; or ~~((c))~~ (iii) sending a notice to these contractors by facsimile or other electronic means. For purposes of this subsection ~~(2)(c)~~, "equitably distribute" means that a state agency or local government soliciting bids may not favor certain contractors on the appropriate small works roster over other contractors on the appropriate small works roster who perform similar services.

~~((5))~~ (d) A contract awarded from a small works roster under this section need not be advertised.

~~((6))~~ (e) Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.

~~((7))~~ (3) In lieu of awarding contracts under subsection (2) of this section, a state agency or authorized local government may award a contract for work, construction, alteration, repair, or improvement project estimated to cost less than thirty-five thousand dollars using the limited public works process provided under this subsection. Public works projects awarded under this subsection are exempt from the other requirements of the small works roster process provided under subsection (2) of this section and are exempt from the requirement that contracts be awarded after advertisement as provided under RCW 39.04.010.

For limited public works projects, a state agency or authorized local government shall solicit electronic or written quotations from a minimum of three contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder as defined under RCW 43.19.1911. After an award is made, the quotations shall be open to public inspection and available by electronic request. A state agency or authorized local government shall attempt to distribute opportunities for limited public works projects equitably among contractors willing to perform in the geographic area of the work. A state agency or authorized local government shall maintain a list of the contractors contacted and the contracts awarded during the previous twenty-four months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded. For limited public works projects, a state agency or authorized local government may waive the payment and performance bond requirements of chapter 39.08 RCW and the retainage requirements of chapter 60.28 RCW, thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, materialmen, suppliers, and taxes imposed under Title 82 RCW that may be due from the contractor for the limited public works project, however the state agency or authorized local government shall have the right of recovery against the contractor for any payments made on the contractor's behalf.

(4) The breaking of any project into units or accomplishing any projects by phases is prohibited if it is done for the purpose of avoiding the maximum dollar

amount of a contract that may be let using the small works roster process or limited public works process.

((8)) (5) As used in this section, "state agency" means the department of general administration, the state parks and recreation commission, the department of natural resources, the department of fish and wildlife, the department of transportation, any institution of higher education as defined under RCW 28B.10.016, and any other state agency delegated authority by the department of general administration to engage in construction, building, renovation, remodeling, alteration, improvement, or repair activities.

Passed the Senate April 16, 2001.

Passed the House April 5, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 285

[Substitute Senate Bill 5114]

MOTORCYCLES—SAFETY EDUCATION ACCOUNT—TAXATION

AN ACT Relating to motorcycles; amending RCW 46.68.065; and adding a new section to chapter 82.08 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.68.065 and 1982 c 77 s 8 are each amended to read as follows:

There is hereby created the motorcycle safety education account in the highway safety fund of the state treasury, to the credit of which shall be deposited all moneys directed by law to be credited thereto. All expenses incurred by the director of the department of licensing in administering RCW 46.20.505 through 46.20.520 shall be borne by appropriations from this account, and moneys deposited into this account shall be used only for the purposes authorized in RCW 46.20.505 through 46.20.520.

NEW SECTION. Sec. 2. A new section is added to chapter 82.08 RCW to read as follows:

The tax levied by RCW 82.08.020 does not apply to sales of motorcycles purchased for use in a motorcycle operator training and education program created under RCW 46.20.520.

Passed the Senate April 17, 2001.

Passed the House April 12, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 286

[Engrossed Substitute Senate Bill 5122]

SEXUALLY VIOLENT PREDATORS—COMMITMENT

AN ACT Relating to civil commitment and related proceedings for sexually violent predators under chapter 71.09 RCW; amending RCW 5.60.060, 71.09.010, 71.09.020, 71.09.025, 71.09.040, 71.09.060, 71.09.070, 71.09.090, 71.09.094, 71.09.096, and 71.09.098; adding a new section to chapter 71.09 RCW; creating new sections; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 71.09 RCW to read as follows:

The legislature finds that presentation of evidence related to conditions of a less restrictive alternative that are beyond the authority of the court to order, and that would not exist in the absence of a court order, reduces the public respect for the rule of law and for the authority of the courts. Consequently, the legislature finds that the decision in *In re the Detention of Casper Ross*, 102 Wn. App 108 (2000), is contrary to the legislature's intent. The legislature hereby clarifies that it intends, and has always intended, in any proceeding under this chapter that the court and jury be presented only with conditions that would exist or that the court would have the authority to order in the absence of a finding that the person is a sexually violent predator.

Sec. 2. RCW 5.60.060 and 1998 c 72 s 1 are each amended to read as follows:

(1) A husband shall not be examined for or against his wife, without the consent of the wife, nor a wife for or against her husband without the consent of the husband; nor can either during marriage or afterward, be without the consent of the other, examined as to any communication made by one to the other during marriage. But this exception shall not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other, nor to a criminal action or proceeding against a spouse if the marriage occurred subsequent to the filing of formal charges against the defendant, nor to a criminal action or proceeding for a crime committed by said husband or wife against any child of whom said husband or wife is the parent or guardian, nor to a proceeding under chapter 70.96A ((or)), 71.05, or 71.09 RCW: PROVIDED, That the spouse of a person sought to be detained under chapter 70.96A ((or)), 71.05, or 71.09 RCW may not be compelled to testify and shall be so informed by the court prior to being called as a witness.

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

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

(3) A member of the clergy or a priest shall not, without the consent of a person making the confession, be examined as to any confession made to him or

her in his or her professional character, in the course of discipline enjoined by the church to which he or she belongs.

(4) Subject to the limitations under RCW 70.96A.140 or 71.05.250, a physician or surgeon or osteopathic physician or surgeon or podiatric physician or surgeon shall not, without the consent of his or her patient, be examined in a civil action as to any information acquired in attending such patient, which was necessary to enable him or her to prescribe or act for the patient, except as follows:

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

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

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

(6)(a) A peer support group counselor shall not, without consent of the law enforcement officer making the communication, be compelled to testify about any communication made to the counselor by the officer while receiving counseling. The counselor must be designated as such by the sheriff, police chief, or chief of the Washington state patrol, prior to the incident that results in counseling. The privilege only applies when the communication was made to the counselor while acting in his or her capacity as a peer support group counselor. The privilege does not apply if the counselor was an initial responding officer, a witness, or a party to the incident which prompted the delivery of peer support group counseling services to the law enforcement officer.

(b) For purposes of this section, "peer support group counselor" means a:

(i) Law enforcement officer, or civilian employee of a law enforcement agency, who has received training to provide emotional and moral support and counseling to an officer who needs those services as a result of an incident in which the officer was involved while acting in his or her official capacity; or

(ii) Nonemployee counselor who has been designated by the sheriff, police chief, or chief of the Washington state patrol to provide emotional and moral support and counseling to an officer who needs those services as a result of an incident in which the officer was involved while acting in his or her official capacity.

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

(a) For purposes of this section, "sexual assault advocate" means the employee or volunteer from a rape crisis center, victim assistance unit, program, or association, that provides information, medical or legal advocacy, counseling, or

support to victims of sexual assault, who is designated by the victim to accompany the victim to the hospital or other health care facility and to proceedings concerning the alleged assault, including police and prosecution interviews and court proceedings.

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

Sec. 3. RCW 71.09.010 and 1990 c 3 s 1001 are each amended to read as follows:

The legislature finds that a small but extremely dangerous group of sexually violent predators exist who do not have a mental disease or defect that renders them appropriate for the existing involuntary treatment act, chapter 71.05 RCW, which is intended to be a short-term civil commitment system that is primarily designed to provide short-term treatment to individuals with serious mental disorders and then return them to the community. In contrast to persons appropriate for civil commitment under chapter 71.05 RCW, sexually violent predators generally have ((antisocial)) personality ((features)) disorders and/or mental abnormalities which are unamenable to existing mental illness treatment modalities and those ((features)) conditions render them likely to engage in sexually violent behavior. The legislature further finds that sex offenders' likelihood of engaging in repeat acts of predatory sexual violence is high. The existing involuntary commitment act, chapter 71.05 RCW, is inadequate to address the risk to reoffend because during confinement these offenders do not have access to potential victims and therefore they will not engage in an overt act during confinement as required by the involuntary treatment act for continued confinement. The legislature further finds that the prognosis for curing sexually violent offenders is poor, the treatment needs of this population are very long term, and the treatment modalities for this population are very different than the traditional treatment modalities for people appropriate for commitment under the involuntary treatment act.

Sec. 4. RCW 71.09.020 and 1995 c 216 s I are each amended to read as follows:

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

(1) "Sexually violent predator" means any person who has been convicted of or charged with a crime of sexual violence and who suffers from a mental

abnormality or personality disorder which makes the person likely to engage in predatory acts of sexual violence if not confined in a secure facility.

(2) "Mental abnormality" means a congenital or acquired condition affecting the emotional or volitional capacity which predisposes the person to the commission of criminal sexual acts in a degree constituting such person a menace to the health and safety of others.

(3) "Likely to engage in predatory acts of sexual violence if not confined in a secure facility" means that the person more probably than not will engage in such acts if released unconditionally from detention on the sexually violent predator petition. Such likelihood must be evidenced by a recent overt act if the person is not totally confined at the time the petition is filed under RCW 71.09.030.

(4) "Predatory" means acts directed towards: (a) Strangers ((or)); (b) individuals with whom a relationship has been established or promoted for the primary purpose of victimization; or (c) persons of casual acquaintance with whom no substantial personal relationship exists.

(5) "Recent overt act" means any act or threat that has either caused harm of a sexually violent nature or creates a reasonable apprehension of such harm in the mind of an objective person who knows of the history and mental condition of the person engaging in the act.

(6) "Sexually violent offense" means an act committed on, before, or after July 1, 1990, that is: (a) An act defined in Title 9A RCW as rape in the first degree, rape in the second degree by forcible compulsion, rape of a child in the first or second degree, statutory rape in the first or second degree, indecent liberties by forcible compulsion, indecent liberties against a child under age fourteen, incest against a child under age fourteen, or child molestation in the first or second degree; (b) a felony offense in effect at any time prior to July 1, 1990, that is comparable to a sexually violent offense as defined in (a) of this subsection, or any federal or out-of-state conviction for a felony offense that under the laws of this state would be a sexually violent offense as defined in this subsection; (c) an act of murder in the first or second degree, assault in the first or second degree, assault of a child in the first or second degree, kidnapping in the first or second degree, burglary in the first degree, residential burglary, or unlawful imprisonment, which act, either at the time of sentencing for the offense or subsequently during civil commitment proceedings pursuant to chapter 71.09 RCW, has been determined beyond a reasonable doubt to have been sexually motivated, as that term is defined in RCW 9.94A.030; or (d) an act as described in chapter 9A.28 RCW, that is an attempt, criminal solicitation, or criminal conspiracy to commit one of the felonies designated in (a), (b), or (c) of this subsection.

(7) "Less restrictive alternative" means court-ordered treatment in a setting less restrictive than total confinement which satisfies the conditions set forth in RCW 71.09.092.

(8) "Secretary" means the secretary of social and health services or his or her designee.

Sec. 5. RCW 71.09.025 and 1995 c 216 s 2 are each amended to read as follows:

(1)(a) When it appears that a person may meet the criteria of a sexually violent predator as defined in RCW 71.09.020(1), the agency with jurisdiction shall refer the person in writing to the prosecuting attorney of the county where that person was charged, three months prior to:

(i) The anticipated release from total confinement of a person who has been convicted of a sexually violent offense;

(ii) The anticipated release from total confinement of a person found to have committed a sexually violent offense as a juvenile;

(iii) Release of a person who has been charged with a sexually violent offense and who has been determined to be incompetent to stand trial pursuant to RCW 10.77.090(~~(3)~~) (4); or

(iv) Release of a person who has been found not guilty by reason of insanity of a sexually violent offense pursuant to RCW 10.77.020(3).

(b) The agency shall provide the prosecutor with all relevant information including but not limited to the following information:

(i) A complete copy of the institutional records compiled by the department of corrections relating to the person, and any such out-of-state department of corrections' records, if available;

(ii) A complete copy, if applicable, of any file compiled by the indeterminate sentence review board relating to the person;

(iii) All records relating to the psychological or psychiatric evaluation and/or treatment of the person;

(iv) A current record of all prior arrests and convictions, and full police case reports relating to those arrests and convictions; and

(v) A current mental health evaluation or mental health records review.

(2) This section applies to acts committed before, on, or after March 26, 1992.

(3) The agency, its employees, and officials shall be immune from liability for any good-faith conduct under this section.

(4) As used in this section, "agency with jurisdiction" means that agency with the authority to direct the release of a person serving a sentence or term of confinement and includes the department of corrections, the indeterminate sentence review board, and the department of social and health services.

Sec. 6. RCW 71.09.040 and 1995 c 216 s 4 are each amended to read as follows:

(1) Upon the filing of a petition under RCW 71.09.030, the judge shall determine whether probable cause exists to believe that the person named in the petition is a sexually violent predator. If such determination is made the judge shall direct that the person be taken into custody.

(2) Within seventy-two hours after a person is taken into custody pursuant to subsection (1) of this section, the court shall provide the person with notice of, and an opportunity to appear in person at, a hearing to contest probable cause as to

whether the person is a sexually violent predator. At this hearing, the court shall (a) verify the person's identity, and (b) determine whether probable cause exists to believe that the person is a sexually violent predator. At the probable cause hearing, the state may rely upon the petition and certification for determination of probable cause filed pursuant to RCW 71.09.030. The state may supplement this with additional documentary evidence or live testimony.

(3) At the probable cause hearing, the person shall have the following rights in addition to the rights previously specified: (a) To be represented by counsel; (b) to present evidence on his or her behalf; (c) to cross-examine witnesses who testify against him or her; (d) to view and copy all petitions and reports in the court file.

(4) If the probable cause determination is made, the judge shall direct that the person be transferred to an appropriate facility for an evaluation as to whether the person is a sexually violent predator. The evaluation shall be conducted by a person deemed to be professionally qualified to conduct such an examination pursuant to rules developed by the department of social and health services. In adopting such rules, the department of social and health services shall consult with the department of health and the department of corrections. In no event shall the person be released from confinement prior to trial. A witness called by either party shall be permitted to testify by telephone.

Sec. 7. RCW 71.09.060 and 1998 c 146 s 1 are each amended to read as follows:

(1) The court or jury shall determine whether, beyond a reasonable doubt, the person is a sexually violent predator. In determining whether or not the person would be likely to engage in predatory acts of sexual violence if not confined in a secure facility, the fact finder may consider only placement conditions and voluntary treatment options that would exist for the person if unconditionally released from detention on the sexually violent predator petition. When the determination is made by a jury, the verdict must be unanimous.

If, on the date that the petition is filed, the person was living in the community after release from custody, the state must also prove beyond a reasonable doubt that the person had committed a recent overt act. If the state alleges that the prior sexually violent offense that forms the basis for the petition for commitment was an act that was sexually motivated as provided in RCW 71.09.020(6)(c), the state must prove beyond a reasonable doubt that the alleged sexually violent act was sexually motivated as defined in RCW 9.94A.030.

If the court or jury determines that the person is a sexually violent predator, the person shall be committed to the custody of the department of social and health services for placement in a secure facility operated by the department of social and health services for control, care, and treatment until such time as: (a) The person's ((mental abnormality or personality disorder)) condition has so changed that the person ((is safe either (a) to be at large,)) no longer meets the definition of a sexually violent predator; or (b) ((to be released)) conditional release to a less restrictive alternative as set forth in RCW 71.09.092 is in the best interest of the

person and conditions can be imposed that would adequately protect the community.

If the court or unanimous jury (~~is not satisfied beyond a reasonable doubt~~) decides that the state has not met its burden of proving that the person is a sexually violent predator, the court shall direct the person's release.

If the jury is unable to reach a unanimous verdict, the court shall declare a mistrial and set a retrial within forty-five days of the date of the mistrial unless the prosecuting agency earlier moves to dismiss the petition. The retrial may be continued upon the request of either party accompanied by a showing of good cause, or by the court on its own motion in the due administration of justice provided that the respondent will not be substantially prejudiced. In no event may the person be released from confinement prior to retrial or dismissal of the case.

(2) If the person charged with a sexually violent offense has been found incompetent to stand trial, and is about to or has been released pursuant to RCW 10.77.090(~~((3))~~) (4), and his or her commitment is sought pursuant to subsection (1) of this section, the court shall first hear evidence and determine whether the person did commit the act or acts charged if the court did not enter a finding prior to dismissal under RCW 10.77.090(~~((3))~~) (4) that the person committed the act or acts charged. The hearing on this issue must comply with all the procedures specified in this section. In addition, the rules of evidence applicable in criminal cases shall apply, and all constitutional rights available to defendants at criminal trials, other than the right not to be tried while incompetent, shall apply. After hearing evidence on this issue, the court shall make specific findings on whether the person did commit the act or acts charged, the extent to which the person's incompetence or developmental disability affected the outcome of the hearing, including its effect on the person's ability to consult with and assist counsel and to testify on his or her own behalf, the extent to which the evidence could be reconstructed without the assistance of the person, and the strength of the prosecution's case. If, after the conclusion of the hearing on this issue, the court finds, beyond a reasonable doubt, that the person did commit the act or acts charged, it shall enter a final order, appealable by the person, on that issue, and may proceed to consider whether the person should be committed pursuant to this section.

(3) The state shall comply with RCW 10.77.220 while confining the person pursuant to this chapter, except that during all court proceedings the person shall be detained in a secure facility. The department shall not place the person, even temporarily, in a facility on the grounds of any state mental facility or regional habilitation center because these institutions are insufficiently secure for this population.

(4) A court has jurisdiction to order a less restrictive alternative placement only after a hearing ordered pursuant to RCW 71.09.090 following initial commitment under this section and in accord with the provisions of this chapter.

Sec. 8. RCW 71.09.070 and 1995 c 216 s 7 are each amended to read as follows:

Each person committed under this chapter shall have a current examination of his or her mental condition made by the department of social and health services at least once every year. The annual report shall include consideration of whether the committed person currently meets the definition of a sexually violent predator and whether conditional release to a less restrictive alternative is in the best interest of the person and ((with)) conditions can be imposed that would adequately protect the community. The department of social and health services shall file this periodic report with the court that committed the person under this chapter. The report shall be in the form of a declaration or certification in compliance with the requirements of RCW 9A.72.085 and shall be prepared by a professionally qualified person as defined by rules adopted by the secretary. A copy of the report shall be served on the prosecuting agency involved in the initial commitment and upon the committed person and his or her counsel. The committed person may retain, or if he or she is indigent and so requests, the court may appoint a qualified expert or a professional person to examine him or her, and such expert or professional person shall have access to all records concerning the person. ~~((The periodic report shall be provided to the court that committed the person under this chapter.))~~

Sec. 9. RCW 71.09.090 and 1995 c 216 s 9 are each amended to read as follows:

(1) If the secretary determines that either: (a) The person's ((mental abnormality or personality disorder)) condition has so changed that the person ~~((is not likely to engage in predatory acts of sexual violence if conditionally released to a less restrictive alternative or unconditionally discharged))~~ no longer meets the definition of a sexually violent predator; or (b) conditional release to a less restrictive alternative is in the best interest of the person and conditions can be imposed that adequately protect the community, the secretary shall authorize the person to petition the court for conditional release to a less restrictive alternative or unconditional discharge. The petition shall be ~~((served upon))~~ filed with the court and served upon the prosecuting ~~((attorney))~~ agency responsible for the initial commitment. The court, upon receipt of the petition for conditional release to a less restrictive alternative or unconditional discharge, shall within forty-five days order a hearing. ~~((The prosecuting attorney or the attorney general, if requested by the county, shall represent the state, and shall have the right to have the petitioner examined by an expert or professional person of his or her choice. The hearing shall be before a jury if demanded by either the petitioner or the prosecuting attorney or attorney general. The burden of proof shall be upon the prosecuting attorney or attorney general to show beyond a reasonable doubt that the petitioner's mental abnormality or personality disorder remains such that the petitioner is not safe to be at large and that if conditionally released to a less restrictive alternative~~

~~or unconditionally discharged is likely to engage in predatory acts of sexual violence:))~~

(2)(a) Nothing contained in this chapter shall prohibit the person from otherwise petitioning the court for conditional release to a less restrictive alternative or unconditional discharge without the secretary's approval. The secretary shall provide the committed person with an annual written notice of the person's right to petition the court for conditional release to a less restrictive alternative or unconditional discharge over the secretary's objection. The notice shall contain a waiver of rights. The secretary shall ~~((forward))~~ file the notice and waiver form ~~((to the court with))~~ and the annual report with the court. If the person does not affirmatively waive the right to petition, the court shall set a show cause hearing to determine whether ~~((facts))~~ probable cause exists ~~((that))~~ to warrant a hearing on whether: (i) The person's condition has so changed that he or she (is safe to be conditionally released to a less restrictive alternative or unconditionally discharged)) no longer meets the definition of a sexually violent predator; or (ii) conditional release to a less restrictive alternative would be in the best interest of the person and conditions can be imposed that would adequately protect the community.

(b) The committed person shall have a right to have an attorney represent him or her at the show cause hearing, which may be conducted solely on the basis of affidavits or declarations, but the person is not entitled to be present at the show cause hearing. At the show cause hearing, the prosecuting attorney or attorney general shall present prima facie evidence establishing that the committed person continues to meet the definition of a sexually violent predator and that a less restrictive alternative is not in the best interest of the person and conditions cannot be imposed that adequately protect the community. In making this showing, the state may rely exclusively upon the annual report prepared pursuant to RCW 71.09.070. The committed person may present responsive affidavits or declarations to which the state may reply.

(c) If the court at the show cause hearing determines that either: (i) The state has failed to present prima facie evidence that the committed person continues to meet the definition of a sexually violent predator and that no proposed less restrictive alternative is in the best interest of the person and conditions cannot be imposed that would adequately protect the community; or (ii) probable cause exists to believe that the person's ((mental abnormality or personality disorder)) condition has so changed that: (A) The person ((is not likely to engage in predatory acts of sexual violence if conditionally released to a less restrictive alternative or unconditionally discharged)) no longer meets the definition of a sexually violent predator; or (B) release to a less restrictive alternative would be in the best interest of the person and conditions can be imposed that would adequately protect the community, then the court shall set a hearing on ((the)) either or both issues.

(d) If the court has not previously considered the issue of release to a less restrictive alternative, either through a trial on the merits or through the procedures

set forth in RCW 71.09.094(1), the court shall consider whether release to a less restrictive alternative would be in the best interests of the person and conditions can be imposed that would adequately protect the community, without considering whether the person's condition has changed.

(3)(a) At the hearing resulting from subsection (1) or (2) of this section, the committed person shall be entitled to be present and to the benefit of all constitutional protections that were afforded to the person at the initial commitment proceeding. The prosecuting ((attorney)) agency or the attorney general if requested by the county shall represent the state and shall have a right to a jury trial and to have the committed person evaluated by experts chosen by the state. The committed person shall also have the right to a jury trial and the right to have experts evaluate him or her on his or her behalf and the court shall appoint an expert if the person is indigent and requests an appointment.

(b) If the issue at the hearing is whether the person should be unconditionally discharged, the burden of proof ((at the hearing)) shall be upon the state to prove beyond a reasonable doubt that the committed person's ((mental abnormality or personality disorder)) condition remains such that the person ((is likely to engage in predatory acts of sexual violence if conditionally released to a less restrictive alternative or unconditionally discharged)) continues to meet the definition of a sexually violent predator. Evidence of the prior commitment trial and disposition is admissible.

(c) If the issue at the hearing is whether the person should be conditionally released to a less restrictive alternative, the burden of proof at the hearing shall be upon the state to prove beyond a reasonable doubt that conditional release to any proposed less restrictive alternative either: (i) Is not in the best interest of the committed person; or (ii) does not include conditions that would adequately protect the community. Evidence of the prior commitment trial and disposition is admissible.

~~((3))~~ (4) The jurisdiction of the court over a person civilly committed pursuant to this chapter continues until such time as the person is unconditionally discharged.

NEW SECTION. Sec. 10. The department of social and health services shall, in consultation with interested stakeholders, develop recommendations for improving the procedures used to notify victims when a sexually violent predator is conditionally released to a less restrictive alternative under chapter 71.09 RCW, while at the same time maintaining the confidentiality of victim information.

Sec. 11. RCW 71.09.094 and 1995 c 216 s 11 are each amended to read as follows:

(1) Upon the conclusion of the evidence in a hearing held pursuant to RCW 71.09.090 or through summary judgment proceedings prior to such a hearing, if the court finds that there is no legally sufficient evidentiary basis for a reasonable jury to find that the conditions set forth in RCW 71.09.092 have been met, the court

shall grant a motion by the state for a judgment as a matter of law on the issue of conditional release to a less restrictive alternative.

(2) Whenever the issue of conditional release to a less restrictive alternative is submitted to the jury, the court shall instruct the jury to return a verdict in substantially the following form: Has the state proved beyond a reasonable doubt that either: (a) The proposed less restrictive alternative is not in the best interests of respondent; or ((with not)) (b) does not include conditions that would adequately protect the community? Answer: Yes or No.

Sec. 12. RCW 71.09.096 and 1995 c 216 s 12 are each amended to read as follows:

(1) If the court or jury determines that conditional release to a less restrictive alternative is in the best interest of the person and ~~((with))~~ includes conditions that would adequately protect the community, and the court determines that the minimum conditions set forth in ~~((section 9 of this act))~~ RCW 71.09.092 and in this section are met, the court shall enter judgment and direct a conditional release.

(2) The court shall impose any additional conditions necessary to ensure compliance with treatment and to protect the community. If the court finds that conditions do not exist that will both ensure the person's compliance with treatment and protect the community, then the person shall be remanded to the custody of the department of social and health services for control, care, and treatment in a secure facility as designated in RCW 71.09.060(1).

(3) If the service provider designated by the court to provide inpatient or outpatient treatment or to monitor or supervise any other terms and conditions of a person's placement in a less restrictive alternative is other than the department of social and health services or the department of corrections, then the service provider so designated must agree in writing to provide such treatment, monitoring, or supervision in accord with this section. Any person providing or agreeing to provide treatment, monitoring, or supervision services pursuant to this chapter may be compelled to testify and any privilege with regard to such person's testimony is deemed waived.

(4) Prior to authorizing any release to a less restrictive alternative, the court shall impose such conditions upon the person as are necessary to ensure the safety of the community. The court shall order the department of corrections to investigate the less restrictive alternative and recommend any additional conditions to the court. These conditions shall include, but are not limited to the following: Specification of residence, prohibition of contact with potential or past victims, prohibition of alcohol and other drug use, participation in a specific course of inpatient or outpatient treatment that may include monitoring by the use of polygraph and plethysmograph, supervision by a department of corrections community corrections officer, a requirement that the person remain within the state unless the person receives prior authorization by the court, and any other conditions that the court determines are in the best interest of the person or others.

A copy of the conditions of release shall be given to the person and to any designated service providers.

(5) Any service provider designated to provide inpatient or outpatient treatment shall monthly, or as otherwise directed by the court, submit to the court, to the department of social and health services facility from which the person was released, to the prosecutor of the county in which the person was found to be a sexually violent predator, and to the supervising community corrections officer, a report stating whether the person is complying with the terms and conditions of the conditional release to a less restrictive alternative.

(6) Each person released to a less restrictive alternative shall have his or her case reviewed by the court that released him or her no later than one year after such release and annually thereafter until the person is unconditionally discharged. Review may occur in a shorter time or more frequently, if the court, in its discretion on its own motion, or on motion of the person, the secretary, or the prosecuting attorney so determines. The sole question to be determined by the court is whether the person shall continue to be conditionally released to a less restrictive alternative. The court in making its determination shall be aided by the periodic reports filed pursuant to subsection (5) of this section and the opinions of the secretary and other experts or professional persons.

See. 13. RCW 71.09.098 and 1995 c 216 s 13 are each amended to read as follows:

(1) Any service provider submitting reports pursuant to RCW 71.09.096~~((5))~~ (6), the supervising community corrections officer, the prosecuting attorney, or the attorney general may petition the court. or the court on its own motion may schedule an immediate hearing, for the purpose of revoking or modifying the terms of the person's conditional release to a less restrictive alternative if the petitioner or the court believes the released person is not complying with the terms and conditions of his or her release or is in need of additional care ~~((and))~~ monitoring, supervision, or treatment.

(2) If the prosecuting attorney, the supervising community corrections officer, or the court, based upon information received by them, reasonably believes that a conditionally released person is not complying with the terms and conditions of his or her conditional release to a less restrictive alternative, the court or community corrections officer may order that the conditionally released person be apprehended and taken into custody until such time as a hearing can be scheduled to determine the facts and whether or not the person's conditional release should be revoked or modified. The court shall be notified before the close of the next judicial day of the person's apprehension. Both the prosecuting attorney and the conditionally released person shall have the right to request an immediate mental examination of the conditionally released person. If the conditionally released person is indigent, the court shall, upon request, assist him or her in obtaining a qualified expert or professional person to conduct the examination.

(3) The court, upon receiving notification of the person's apprehension, shall promptly schedule a hearing. The issue to be determined is whether the state has proven by a preponderance of the evidence that the conditionally released person did not comply with the terms and conditions of his or her release. Hearsay evidence is admissible if the court finds it otherwise reliable. At the hearing, the court shall determine whether the person shall continue to be conditionally released on the same or modified conditions or whether his or her conditional release shall be revoked and he or she shall be committed to total confinement, subject to release only in accordance with provisions of this chapter.

NEW SECTION. Sec. 14. This act applies to all individuals currently committed or awaiting commitment under chapter 71.09 RCW either on, before, or after the effective date of this act, whether confined in a secure facility or on conditional release.

NEW SECTION. Sec. 15. 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.

Passed the Senate April 17, 2001.

Passed the House April 12, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 287

[Substitute Senate Bill 5123]

SEXUALLY VIOLENT PREDATORS—ESCAPE

AN ACT Relating to the crime of escape when committed by persons committed to the department of social and health services; amending RCW 9A.76.120 and 9.94A.030; reenacting and amending RCW 9.94A.320; adding a new section to chapter 9A.76 RCW; prescribing penalties; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 9A.76 RCW to read as follows:

(1) A person is guilty of escape by a sexually violent predator if, having been committed to the department of social and health services as a sexually violent predator under chapter 71.09 RCW, he or she:

(a) Escapes from custody;

(b) Escapes from a commitment facility;

(c) Escapes from a less restrictive alternative facility; or

(d) While on conditional release and residing in a location other than at a commitment center or less restrictive alternative facility, leaves or remains absent from the state of Washington without prior court authorization.

(2) Escape by a sexually violent predator is a class B felony.

Sec. 2. RCW 9A.76.120 and 1995 c 216 s 15 are each amended to read as follows:

(1) A person is guilty of escape in the second degree if:

(a) He or she escapes from a detention facility; or

(b) Having been charged with a felony or an equivalent juvenile offense, he or she escapes from custody((, or

~~(c) Having been found to be a sexually violent predator and being under an order of conditional release, he or she leaves the state of Washington without prior court authorization)).~~

(2) Escape in the second degree is a class C felony.

Sec. 3. RCW 9.94A.320 and 2000 c 225 s 5, 2000 c 119 s 17, and 2000 c 66 s 2 are each reenacted and amended to read as follows:

TABLE 2

CRIMES INCLUDED WITHIN EACH SERIOUSNESS LEVEL

XVI	Aggravated Murder 1 (RCW 10.95.020)
XV	Homicide by abuse (RCW 9A.32.055) Malicious explosion 1 (RCW 70.74.280(1)) Murder 1 (RCW 9A.32.030)
XIV	Murder 2 (RCW 9A.32.050)
XIII	Malicious explosion 2 (RCW 70.74.280(2)) Malicious placement of an explosive 1 (RCW 70.74.270(1))
XII	Assault 1 (RCW 9A.36.011) Assault of a Child 1 (RCW 9A.36.120) Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a)) Rape 1 (RCW 9A.44.040) Rape of a Child 1 (RCW 9A.44.073)
XI	Manslaughter 1 (RCW 9A.32.060) Rape 2 (RCW 9A.44.050) Rape of a Child 2 (RCW 9A.44.076)
X	Child Molestation 1 (RCW 9A.44.083) <u>Escape by a Sexually Violent Predator (section 1 of this act)</u> Indecent Liberties (with forcible compulsion) (RCW 9A.44.100(1)(a)) Kidnapping 1 (RCW 9A.40.020) Leading Organized Crime (RCW 9A.82.060(1)(a)) Malicious explosion 3 (RCW 70.74.280(3))

- Manufacture of methamphetamine (RCW 69.50.401(a)(1)(ii))
- Over 18 and deliver heroin, methamphetamine, a narcotic from Schedule I or II, or flunitrazepam from Schedule IV to someone under 18 (RCW 69.50.406)
- IX Assault of a Child 2 (RCW 9A.36.130)
- Controlled Substance Homicide (RCW 69.50.415)
- Explosive devices prohibited (RCW 70.74.180)
- Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050)
- Inciting Criminal Profiteering (RCW 9A.82.060(1)(b))
- Malicious placement of an explosive 2 (RCW 70.74.270(2))
- Over 18 and deliver narcotic from Schedule III, IV, or V or a nonnarcotic, except flunitrazepam or methamphetamine, from Schedule I-V to someone under 18 and 3 years junior (RCW 69.50.406)
- Robbery I (RCW 9A.56.200)
- Sexual Exploitation (RCW 9.68A.040)
- Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520)
- VIII Arson I (RCW 9A.48.020)
- Deliver or possess with intent to deliver methamphetamine (RCW 69.50.401(a)(1)(ii))
- Hit and Run—Death (RCW 46.52.020(4)(a))
- Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050)
- Manslaughter 2 (RCW 9A.32.070)
- Manufacture, deliver, or possess with intent to deliver amphetamine (RCW 69.50.401(a)(1)(ii))
- Manufacture, deliver, or possess with intent to deliver heroin or cocaine (RCW 69.50.401(a)(1)(i))

- Possession of Ephedrine, Pseudoephedrine, or Anhydrous Ammonia with intent to manufacture methamphetamine (RCW 69.50.440)
- Promoting Prostitution 1 (RCW 9A.88.070)
- Selling for profit (controlled or counterfeit) any controlled substance (RCW 69.50.410)
- Theft of Anhydrous Ammonia (RCW 69.55.010)
- Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520)
- VII
 - Burglary 1 (RCW 9A.52.020)
 - Child Molestation 2 (RCW 9A.44.086)
 - Dealing in depictions of minor engaged in sexually explicit conduct (RCW 9.68A.050)
 - Drive-by Shooting (RCW 9A.36.045)
 - Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050)
 - Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c))
 - Introducing Contraband 1 (RCW 9A.76.140)
 - Involving a minor in drug dealing (RCW 69.50.401(f))
 - Malicious placement of an explosive 3 (RCW 70.74.270(3))
 - Sending, bringing into state depictions of minor engaged in sexually explicit conduct (RCW 9.68A.060)
 - Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(1)(a))
 - Use of a Machine Gun in Commission of a Felony (RCW 9.41.225)
 - Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520)
- VI
 - Bail Jumping with Murder 1 (RCW 9A.76.170(2)(a))
 - Bribery (RCW 9A.68.010)
 - Incest 1 (RCW 9A.64.020(1))
 - Intimidating a Judge (RCW 9A.72.160)

- Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130)
- Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b))
- Manufacture, deliver, or possess with intent to deliver narcotics from Schedule I or II (except heroin or cocaine) or flunitrazepam from Schedule IV (RCW 69.50.401(a)(1)(i))
- Rape of a Child 3 (RCW 9A.44.079)
- Theft of a Firearm (RCW 9A.56.300)
- Unlawful Storage of Anhydrous Ammonia (RCW 69.55.020)
- V Abandonment of dependent person 1 (RCW 9A.42.060)
- Advancing money or property for extortionate extension of credit (RCW 9A.82.030)
- Bail Jumping with class A Felony (RCW 9A.76.170(2)(b))
- Child Molestation 3 (RCW 9A.44.089)
- Criminal Mistreatment I (RCW 9A.42.020)
- Custodial Sexual Misconduct I (RCW 9A.44.160)
- Delivery of imitation controlled substance by person eighteen or over to person under eighteen (RCW 69.52.030(2))
- Domestic Violence Court Order Violation (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, 26.26.138, 26.50.110, 26.52.070, or 74.34.145)
- Extortion I (RCW 9A.56.120)
- Extortionate Extension of Credit (RCW 9A.82.020)
- Extortionate Means to Collect Extensions of Credit (RCW 9A.82.040)
- Incest 2 (RCW 9A.64.020(2))
- Kidnapping 2 (RCW 9A.40.030)
- Perjury I (RCW 9A.72.020)
- Persistent prison misbehavior (RCW 9.94.070)
- Possession of a Stolen Firearm (RCW 9A.56.310)
- Rape 3 (RCW 9A.44.060)

- Rendering Criminal Assistance 1 (RCW 9A.76.070)
- Sexual Misconduct with a Minor 1 (RCW 9A.44.093)
- Sexually Violating Human Remains (RCW 9A.44.105)
- Stalking (RCW 9A.46.110)
- IV Arson 2 (RCW 9A.48.030)
- Assault 2 (RCW 9A.36.021)
- Assault by Watercraft (RCW 79A.60.060)
- Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100)
- Commercial Bribery (RCW 9A.68.060)
- Counterfeiting (RCW 9.16.035(4))
- Escape 1 (RCW 9A.76.110)
- Hit and Run—Injury (RCW 46.52.020(4)(b))
- Hit and Run with Vessel—Injury Accident (RCW 79A.60.200(3))
- Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010)
- Influencing Outcome of Sporting Event (RCW 9A.82.070)
- Knowingly Trafficking in Stolen Property (RCW 9A.82.050(2))
- Malicious Harassment (RCW 9A.36.080)
- Manufacture, deliver, or possess with intent to deliver narcotics from Schedule III, IV, or V or nonnarcotics from Schedule I-V (except marijuana, amphetamine, methamphetamines, or flunitrazepam) (RCW 69.50.401(a)(1) (iii) through (v))
- Residential Burglary (RCW 9A.52.025)
- Robbery 2 (RCW 9A.56.210)
- Theft of Livestock 1 (RCW 9A.56.080)
- Threats to Bomb (RCW 9.61.160)
- Use of Proceeds of Criminal Profiteering (RCW 9A.82.080 (1) and (2))
- Vehicular Assault (RCW 46.61.522)
- Willful Failure to Return from Furlough (RCW 72.66.060)
- III Abandonment of dependent person 2 (RCW 9A.42.070)

Assault 3 (RCW 9A.36.031)
Assault of a Child 3 (RCW 9A.36.140)
Bail Jumping with class B or C Felony (RCW 9A.76.170(2)(c))
Burglary 2 (RCW 9A.52.030)
Communication with a Minor for Immoral Purposes (RCW 9.68A.090)
Criminal Gang Intimidation (RCW 9A.46.120)
Criminal Mistreatment 2 (RCW 9A.42.030)
Custodial Assault (RCW 9A.36.100)
Delivery of a material in lieu of a controlled substance (RCW 69.50.401(c))
Escape 2 (RCW 9A.76.120)
Extortion 2 (RCW 9A.56.130)
Harassment (RCW 9A.46.020)
Intimidating a Public Servant (RCW 9A.76.180)
Introducing Contraband 2 (RCW 9A.76.150)
Maintaining a Dwelling or Place for Controlled Substances (RCW 69.50.402(a)(6))
Malicious Injury to Railroad Property (RCW 81.60.070)
Manufacture, deliver, or possess with intent to deliver marijuana (RCW 69.50.401(a)(1)(iii))
Manufacture, distribute, or possess with intent to distribute an imitation controlled substance (RCW 69.52.030(1))
Patronizing a Juvenile Prostitute (RCW 9.68A.100)
Perjury 2 (RCW 9A.72.030)
Possession of Incendiary Device (RCW 9.40.120)
Possession of Machine Gun or Short-Barreled Shotgun or Rifle (RCW 9.41.190)
Promoting Prostitution 2 (RCW 9A.88.080)
Recklessly Trafficking in Stolen Property (RCW 9A.82.050(1))
Securities Act violation (RCW 21.20.400)
Tampering with a Witness (RCW 9A.72.120)
Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230)
Theft of Livestock 2 (RCW 9A.56.080)

- Unlawful Imprisonment (RCW 9A.40.040)
- Unlawful possession of firearm in the second degree (RCW 9A.10.040(1)(b))
- Unlawful Use of Building for Drug Purposes (RCW 69.53.010)
- Willful Failure to Return from Work Release (RCW 72.65.070)
- II
 - Computer Trespass I (RCW 9A.52.110)
 - Counterfeiting (RCW 9.16.035(3))
 - Create, deliver, or possess a counterfeit controlled substance (RCW 69.50.401(b))
 - Escape from Community Custody (RCW 72.09.310)
 - Health Care False Claims (RCW 48.80.030)
 - Malicious Mischief I (RCW 9A.48.070)
 - Possession of controlled substance that is either heroin or narcotics from Schedule I or II or flunitrazepam from Schedule IV (RCW 69.50.401(d))
 - Possession of phencyclidine (PCP) (RCW 69.50.401(d))
 - Possession of Stolen Property I (RCW 9A.56.150)
 - Theft I (RCW 9A.56.030)
 - Theft of Rental, Leased, or Lease-purchased Property (valued at one thousand five hundred dollars or more) (RCW 9A.56.096(4))
 - Trafficking in Insurance Claims (RCW 48.30A.015)
 - Unlawful Practice of Law (RCW 2.48.180)
 - Unlicensed Practice of a Profession or Business (RCW 18.130.190(7))
- I
 - Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024)
 - False Verification for Welfare (RCW 74.08.055)
 - Forged Prescription (RCW 69.41.020)
 - Forged Prescription for a Controlled Substance (RCW 69.50.403)
 - Forgery (RCW 9A.60.020)
 - Malicious Mischief 2 (RCW 9A.48.080)

Possess Controlled Substance that is a Narcotic from Schedule III, IV, or V or Non-narcotic from Schedule I-V (except phencyclidine or flunitrazepam) (RCW 69.50.401(d))

Possession of Stolen Property 2 (RCW 9A.56.160)

Reckless Burning 1 (RCW 9A.48.040)

Taking Motor Vehicle Without Permission (RCW 9A.56.070)

Theft 2 (RCW 9A.56.040)

Theft of Rental, Leased, or Lease-purchased Property (valued at two hundred fifty dollars or more but less than one thousand five hundred dollars) (RCW 9A.56.096(4))

Unlawful Issuance of Checks or Drafts (RCW 9A.56.060)

Unlawful Use of Food Stamps (RCW 9.91.140 (2) and (3))

Vehicle Prowl 1 (RCW 9A.52.095)

Sec. 4. RCW 9.94A.030 and 2000 c 28 s 2 are each amended to read as follows:

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

(1) "Collect," or any derivative thereof, "collect and remit," or "collect and deliver," when used with reference to the department, means that the department, either directly or through a collection agreement authorized by RCW 9.94A.145, is responsible for monitoring and enforcing the offender's sentence with regard to the legal financial obligation, receiving payment thereof from the offender, and, consistent with current law, delivering daily the entire payment to the superior court clerk without depositing it in a departmental account.

(2) "Commission" means the sentencing guidelines commission.

(3) "Community corrections officer" means an employee of the department who is responsible for carrying out specific duties in supervision of sentenced offenders and monitoring of sentence conditions.

(4) "Community custody" means that portion of an offender's sentence of confinement in lieu of earned release time or imposed pursuant to RCW 9.94A.120(2)(b), 9.94A.650 through 9.94A.670, 9.94A.137, 9.94A.700 through 9.94A.715, or 9.94A.383, served in the community subject to controls placed on the offender's movement and activities by the department. For offenders placed on community custody for crimes committed on or after July 1, 2000, the department shall assess the offender's risk of reoffense and may establish and modify

conditions of community custody, in addition to those imposed by the court, based upon the risk to community safety.

(5) "Community custody range" means the minimum and maximum period of community custody included as part of a sentence under RCW 9.94A.715, as established by the commission or the legislature under RCW 9.94A.040, for crimes committed on or after July 1, 2000.

(6) "Community placement" means that period during which the offender is subject to the conditions of community custody and/or postrelease supervision, which begins either upon completion of the term of confinement (postrelease supervision) or at such time as the offender is transferred to community custody in lieu of earned release. Community placement may consist of entirely community custody, entirely postrelease supervision, or a combination of the two.

(7) "Community service" means compulsory service, without compensation, performed for the benefit of the community by the offender.

(8) "Community supervision" means a period of time during which a convicted offender is subject to crime-related prohibitions and other sentence conditions imposed by a court pursuant to this chapter or RCW 16.52.200(6) or 46.61.524. Where the court finds that any offender has a chemical dependency that has contributed to his or her offense, the conditions of supervision may, subject to available resources, include treatment. For purposes of the interstate compact for out-of-state supervision of parolees and probationers, RCW 9.95.270, community supervision is the functional equivalent of probation and should be considered the same as probation by other states.

(9) "Confinement" means total or partial confinement.

(10) "Conviction" means an adjudication of guilt pursuant to Titles 10 or 13 RCW and includes a verdict of guilty, a finding of guilty, and acceptance of a plea of guilty.

(11) "Crime-related prohibition" means an order of a court prohibiting conduct that directly relates to the circumstances of the crime for which the offender has been convicted, and shall not be construed to mean orders directing an offender affirmatively to participate in rehabilitative programs or to otherwise perform affirmative conduct. However, affirmative acts necessary to monitor compliance with the order of a court may be required by the department.

(12) "Criminal history" means the list of a defendant's prior convictions and juvenile adjudications, whether in this state, in federal court, or elsewhere. The history shall include, where known, for each conviction (a) whether the defendant has been placed on probation and the length and terms thereof; and (b) whether the defendant has been incarcerated and the length of incarceration.

(13) "Day fine" means a fine imposed by the sentencing court that equals the difference between the offender's net daily income and the reasonable obligations that the offender has for the support of the offender and any dependents.

(14) "Day reporting" means a program of enhanced supervision designed to monitor the offender's daily activities and compliance with sentence conditions,

and in which the offender is required to report daily to a specific location designated by the department or the sentencing court.

(15) "Department" means the department of corrections.

(16) "Determinate sentence" means a sentence that states with exactitude the number of actual years, months, or days of total confinement, of partial confinement, of community supervision, the number of actual hours or days of community service work, or dollars or terms of a legal financial obligation. The fact that an offender through earned release can reduce the actual period of confinement shall not affect the classification of the sentence as a determinate sentence.

(17) "Disposable earnings" means that part of the earnings of an offender remaining after the deduction from those earnings of any amount required by law to be withheld. For the purposes of this definition, "earnings" means compensation paid or payable for personal services, whether denominated as wages, salary, commission, bonuses, or otherwise, and, notwithstanding any other provision of law making the payments exempt from garnishment, attachment, or other process to satisfy a court-ordered legal financial obligation, specifically includes periodic payments pursuant to pension or retirement programs, or insurance policies of any type, but does not include payments made under Title 50 RCW, except as provided in RCW 50.40.020 and 50.40.050, or Title 74 RCW.

(18) "Drug offender sentencing alternative" is a sentencing option available to persons convicted of a felony offense other than a violent offense or a sex offense and who are eligible for the option under RCW 9.94A.660.

(19) "Drug offense" means:

(a) Any felony violation of chapter 69.50 RCW except possession of a controlled substance (RCW 69.50.401(d)) or forged prescription for a controlled substance (RCW 69.50.403);

(b) Any offense defined as a felony under federal law that relates to the possession, manufacture, distribution, or transportation of a controlled substance; or

(c) Any out-of-state conviction for an offense that under the laws of this state would be a felony classified as a drug offense under (a) of this subsection.

(20) "Earned release" means earned release from confinement as provided in RCW 9.94A.150.

(21) "Escape" means:

(a) ~~Escape by a sexually violent predator (section 1 of this act)~~ escape in the first degree (RCW 9A.76.110), escape in the second degree (RCW 9A.76.120), willful failure to return from furlough (RCW 72.66.060), willful failure to return from work release (RCW 72.65.070), or willful failure to be available for supervision by the department while in community custody (RCW 72.09.310); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as an escape under (a) of this subsection.

(22) "Felony traffic offense" means:

(a) Vehicular homicide (RCW 46.61.520), vehicular assault (RCW 46.61.522), eluding a police officer (RCW 46.61.024), or felony hit-and-run injury-accident (RCW 46.52.020(4)); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a felony traffic offense under (a) of this subsection.

(23) "Fine" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specific period of time.

(24) "First-time offender" means any person who has no prior convictions for a felony and is eligible for the first-time offender waiver under RCW 9.94A.650.

(25) "Home detention" means a program of partial confinement available to offenders wherein the offender is confined in a private residence subject to electronic surveillance.

(26) "Legal financial obligation" means a sum of money that is ordered by a superior court of the state of Washington for legal financial obligations which may include restitution to the victim, statutorily imposed crime victims' compensation fees as assessed pursuant to RCW 7.68.035, court costs, county or interlocal drug funds, court-appointed attorneys' fees, and costs of defense, fines, and any other financial obligation that is assessed to the offender as a result of a felony conviction. Upon conviction for vehicular assault while under the influence of intoxicating liquor or any drug, RCW 46.61.522(1)(b), or vehicular homicide while under the influence of intoxicating liquor or any drug, RCW 46.61.520(1)(a), legal financial obligations may also include payment to a public agency of the expense of an emergency response to the incident resulting in the conviction, subject to RCW 38.52.430.

(27) "Most serious offense" means any of the following felonies or a felony attempt to commit any of the following felonies:

(a) Any felony defined under any law as a class A felony or criminal solicitation of or criminal conspiracy to commit a class A felony;

(b) Assault in the second degree;

(c) Assault of a child in the second degree;

(d) Child molestation in the second degree;

(e) Controlled substance homicide;

(f) Extortion in the first degree;

(g) Incest when committed against a child under age fourteen;

(h) Indecent liberties;

(i) Kidnapping in the second degree;

(j) Leading organized crime;

(k) Manslaughter in the first degree;

(l) Manslaughter in the second degree;

(m) Promoting prostitution in the first degree;

(n) Rape in the third degree;

(o) Robbery in the second degree;

- (p) Sexual exploitation;
 - (q) Vehicular assault;
 - (r) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;
 - (s) Any other class B felony offense with a finding of sexual motivation;
 - (t) Any other felony with a deadly weapon verdict under RCW 9.94A.125;
 - (u) Any felony offense in effect at any time prior to December 2, 1993, that is comparable to a most serious offense under this subsection, or any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a most serious offense under this subsection;
 - (v)(i) A prior conviction for indecent liberties under RCW 9A.88.100(1) (a), (b), and (c), chapter 260, Laws of 1975 1st ex. sess. as it existed until July 1, 1979, RCW 9A.44.100(1) (a), (b), and (c) as it existed from July 1, 1979, until June 11, 1986, and RCW 9A.44.100(1) (a), (b), and (d) as it existed from June 11, 1986, until July 1, 1988;
 - (ii) A prior conviction for indecent liberties under RCW 9A.44.100(1)(c) as it existed from June 11, 1986, until July 1, 1988, if: (A) The crime was committed against a child under the age of fourteen; or (B) the relationship between the victim and perpetrator is included in the definition of indecent liberties under RCW 9A.44.100(1)(c) as it existed from July 1, 1988, through July 27, 1997, or RCW 9A.44.100(1) (d) or (e) as it existed from July 25, 1993, through July 27, 1997.
- (28) "Nonviolent offense" means an offense which is not a violent offense.
- (29) "Offender" means a person who has committed a felony established by state law and is eighteen years of age or older or is less than eighteen years of age but whose case is under superior court jurisdiction under RCW 13.04.030 or has been transferred by the appropriate juvenile court to a criminal court pursuant to RCW 13.40.110. Throughout this chapter, the terms "offender" and "defendant" are used interchangeably.
- (30) "Partial confinement" means confinement for no more than one year in a facility or institution operated or utilized under contract by the state or any other unit of government, or, if home detention or work crew has been ordered by the court, in an approved residence, for a substantial portion of each day with the balance of the day spent in the community. Partial confinement includes work release, home detention, work crew, and a combination of work crew and home detention.
- (31) "Persistent offender" is an offender who:
- (a)(i) Has been convicted in this state of any felony considered a most serious offense; and
 - (ii) Has, before the commission of the offense under (a) of this subsection, been convicted as an offender on at least two separate occasions, whether in this state or elsewhere, of felonies that under the laws of this state would be considered

most serious offenses and would be included in the offender score under RCW 9.94A.360; provided that of the two or more previous convictions, at least one conviction must have occurred before the commission of any of the other most serious offenses for which the offender was previously convicted; or

(b)(i) Has been convicted of: (A) Rape in the first degree, rape of a child in the first degree, child molestation in the first degree, rape in the second degree, rape of a child in the second degree, or indecent liberties by forcible compulsion; (B) murder in the first degree, murder in the second degree, homicide by abuse, kidnapping in the first degree, kidnapping in the second degree, assault in the first degree, assault in the second degree, assault of a child in the first degree, or burglary in the first degree, with a finding of sexual motivation; or (C) an attempt to commit any crime listed in this subsection (31)(b)(i); and

(ii) Has, before the commission of the offense under (b)(i) of this subsection, been convicted as an offender on at least one occasion, whether in this state or elsewhere, of an offense listed in (b)(i) of this subsection. A conviction for rape of a child in the first degree constitutes a conviction under (b)(i) of this subsection only when the offender was sixteen years of age or older when the offender committed the offense. A conviction for rape of a child in the second degree constitutes a conviction under (b)(i) of this subsection only when the offender was eighteen years of age or older when the offender committed the offense.

(32) "Postrelease supervision" is that portion of an offender's community placement that is not community custody.

(33) "Restitution" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specified period of time as payment of damages. The sum may include both public and private costs.

(34) "Risk assessment" means the application of an objective instrument supported by research and adopted by the department for the purpose of assessing an offender's risk of reoffense, taking into consideration the nature of the harm done by the offender, place and circumstances of the offender related to risk, the offender's relationship to any victim, and any information provided to the department by victims. The results of a risk assessment shall not be based on unconfirmed or unconfirmable allegations.

(35) "Serious traffic offense" means:

(a) Driving while under the influence of intoxicating liquor or any drug (RCW 46.61.502), actual physical control while under the influence of intoxicating liquor or any drug (RCW 46.61.504), reckless driving (RCW 46.61.500), or hit-and-run an attended vehicle (RCW 46.52.020(5)); or

(b) Any federal, out-of-state, county, or municipal conviction for an offense that under the laws of this state would be classified as a serious traffic offense under (a) of this subsection.

(36) "Serious violent offense" is a subcategory of violent offense and means:

(a)(i) Murder in the first degree;

(ii) Homicide by abuse;

(iii) Murder in the second degree;
(iv) Manslaughter in the first degree;
(v) Assault in the first degree;
(vi) Kidnapping in the first degree;
(vii) Rape in the first degree;
(viii) Assault of a child in the first degree; or
(ix) An attempt, criminal solicitation, or criminal conspiracy to commit one of these felonies; or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a serious violent offense under (a) of this subsection.

(37) "Sex offense" means:

(a) A felony that is a violation of:

(i) Chapter 9A.44 RCW other than RCW 9A.44.130(11);

(ii) RCW 9A.64.020;

(iii) RCW 9.68A.090; or

(iv) A felony that is, under chapter 9A.28 RCW, a criminal attempt, criminal solicitation, or criminal conspiracy to commit such crimes;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a sex offense in (a) of this subsection;

(c) A felony with a finding of sexual motivation under RCW 9.94A.127 or 13.40.135; or

(d) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a sex offense under (a) of this subsection.

(38) "Sexual motivation" means that one of the purposes for which the defendant committed the crime was for the purpose of his or her sexual gratification.

(39) "Standard sentence range" means the sentencing court's discretionary range in imposing a nonappealable sentence.

(40) "Statutory maximum sentence" means the maximum length of time for which an offender may be confined as punishment for a crime as prescribed in chapter 9A.20 RCW, RCW 9.92.010, the statute defining the crime, or other statute defining the maximum penalty for a crime.

(41) "Total confinement" means confinement inside the physical boundaries of a facility or institution operated or utilized under contract by the state or any other unit of government for twenty-four hours a day, or pursuant to RCW 72.64.050 and 72.64.060.

(42) "Transition training" means written and verbal instructions and assistance provided by the department to the offender during the two weeks prior to the offender's successful completion of the work ethic camp program. The transition

training shall include instructions in the offender's requirements and obligations during the offender's period of community custody.

(43) "Victim" means any person who has sustained emotional, psychological, physical, or financial injury to person or property as a direct result of the crime charged.

(44) "Violent offense" means:

(a) Any of the following felonies:

(i) Any felony defined under any law as a class A felony or an attempt to commit a class A felony;

(ii) Criminal solicitation of or criminal conspiracy to commit a class A felony;

(iii) Manslaughter in the first degree;

(iv) Manslaughter in the second degree;

(v) Indecent liberties if committed by forcible compulsion;

(vi) Kidnapping in the second degree;

(vii) Arson in the second degree;

(viii) Assault in the second degree;

(ix) Assault of a child in the second degree;

(x) Extortion in the first degree;

(xi) Robbery in the second degree;

(xii) Drive-by shooting;

(xiii) Vehicular assault; and

(xiv) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a violent offense in (a) of this subsection; and

(c) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a violent offense under (a) or (b) of this subsection.

(45) "Work crew" means a program of partial confinement consisting of civic improvement tasks for the benefit of the community that complies with RCW 9.94A.135.

(46) "Work ethic camp" means an alternative incarceration program as provided in RCW 9.94A.137 designed to reduce recidivism and lower the cost of corrections by requiring offenders to complete a comprehensive array of real-world job and vocational experiences, character-building work ethics training, life management skills development, substance abuse rehabilitation, counseling, literacy training, and basic adult education.

(47) "Work release" means a program of partial confinement available to offenders who are employed or engaged as a student in a regular course of study at school.

NEW SECTION, Sec. 5. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately except for section 4 of this act, which takes effect July 1, 2001.

Passed the Senate April 16, 2001.

Passed the House April 11, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 288

[Senate Bill 5256]

EMERGENCY MANAGEMENT ASSISTANCE COMPACT

AN ACT Relating to enacting the emergency management assistance compact; and adding a new chapter to Title 38 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION, Sec. 1. The emergency management assistance compact is enacted and entered into by this state with all other states legally joining the compact in the form substantially as follows:

ARTICLE I

PURPOSES AND AUTHORITIES

This compact is made and entered into by and between the participating party states which enact this compact. For the purposes of this agreement, the term "states" means the several states, the Commonwealth of Puerto Rico, the District of Columbia, and all United States territorial possessions.

The purpose of this compact is to provide for mutual assistance between the states entering into this compact in managing any emergency or disaster that is duly declared by the governor of the affected state or states, whether arising from natural disaster, technological hazard, man-made disaster, civil emergency aspects of resources shortages, community disorders, insurgency, or enemy attack.

This compact shall also provide for mutual cooperation in emergency-related exercises, testing, or other training activities using equipment and personnel simulating performance of any aspect of the giving and receiving of aid by party states or subdivisions of party states during emergencies, such actions occurring outside actual declared emergency periods. Mutual assistance in this compact may include the use of the states' national guard forces, either in accordance with the national guard mutual assistance compact, or by mutual agreement between states.

ARTICLE II

GENERAL IMPLEMENTATION

Each party state entering into this compact recognizes many emergencies transcend political jurisdictional boundaries and that intergovernmental coordination is essential in managing these and other emergencies under this

compact. Each state further recognizes that there will be emergencies which require immediate access and present procedures to apply outside resources to make a prompt and effective response to the emergency. This is because few, if any, individual states have all the resources they may need in all types of emergencies or the capability of delivering resources to areas where emergencies exist.

The prompt, full, and effective utilization of resources of the participating states, including any resources on hand or available from the federal government or any other source, that are essential to the safety, care, and welfare of the people in the event of any emergency or disaster declared by a party state, shall be the underlying principle on which all articles of this compact shall be understood.

On behalf of the governor of each state participating in the compact, the legally designated state official who is assigned responsibility for emergency management will be responsible for formulation of the appropriate interstate mutual aid plans and procedures necessary to implement this compact.

ARTICLE III PARTY STATE RESPONSIBILITIES

(1) It shall be the responsibility of each party state to formulate procedural plans and programs for interstate cooperation in the performance of the responsibilities listed in this article. In formulating such plans, and in carrying them out, the party states, as is practical, shall:

(a) Review individual state hazards analyses and, to the extent reasonably possible, determine all those potential emergencies the party states might jointly suffer, whether due to natural disaster, technological hazard, man-made disaster, emergency aspects of resource shortages, civil disorders, insurgency, or enemy attack;

(b) Review party states' individual emergency plans and develop a plan which will determine the mechanism for the interstate management and provision of assistance concerning any potential emergency;

(c) Develop interstate procedures to fill any identified gaps and to resolve any identified inconsistencies or overlaps in existing or developed plans;

(d) Assist in warning communities adjacent to or crossing the state boundaries;

(e) Protect and assure uninterrupted delivery of services, medicines, water, food, energy and fuel, search and rescue, and critical lifeline equipment, services, and resources, both human and material;

(f) Inventory and set procedures for the interstate loan and delivery of human and material resources, together with procedures for reimbursement or forgiveness;

(g) Provide, to the extent authorized by law, for temporary suspension of any statutes or ordinances that restrict the implementation of the responsibilities listed in this compact.

(2) The authorized representative of a party state may request assistance of another party state by contacting the authorized representative of that state. The provisions of this agreement shall only apply to requests for assistance made by

and to authorized representatives. Requests may be verbal or in writing. If verbal, the request shall be confirmed in writing within thirty days of the verbal request. Requests shall provide the following information:

(a) A description of the emergency services function for which assistance is needed, such as, but not limited to, fire services, law enforcement, emergency medical, transportation, communications, public works and engineering, building inspection, planning and information assistance, mass care, resource support, health and medical services, and search and rescue;

(b) The amount and type of personnel, equipment, materials, and supplies needed, and a reasonable estimate of the length of time they will be needed;

(c) The specific place and time for staging of the assisting party's response and a point of contact at that location.

(3) There shall be frequent consultation between state officials who have assigned emergency management responsibilities and other appropriate representatives of the party states with affected jurisdictions and the United States government, with free exchange of information, plans, and resource records relating to emergency capabilities.

ARTICLE IV LIMITATIONS

Any party state requested to render mutual aid or conduct exercises and training for mutual aid shall take such action as is necessary to provide and make available the resources covered by this compact in accordance with the terms of this compact. However, it is understood that the state rendering aid may withhold resources to the extent necessary to provide reasonable protection for the state. Each party state shall afford to the emergency forces of any party state, while operating within its state limits under the terms and conditions of this compact, the same powers except that of arrest unless specifically authorized by the receiving state, duties, rights, and privileges as are afforded forces of the state in which they are performing emergency services. Emergency forces will continue under the command and control of their regular leaders, but the organizational units will come under the operational control of the emergency services authorities of the state receiving assistance. These conditions may be activated, as needed, only subsequent to a declaration of a state of emergency or disaster by the governor of the party state that is to receive assistance or commencement of exercises or training for mutual aid and shall continue so long as the exercise or training for mutual aid are in progress, the state of emergency or disaster remains in effect, or loaned resources remain in the receiving state or states, whichever is longer.

ARTICLE V LICENSES AND PERMITS

Whenever any person holds a license, certificate, or other permit issued by any state party to the compact evidencing the meeting of qualifications for professional, mechanical, or other skills, and when such assistance is requested by the receiving

party state, such person shall be deemed licensed, certified, or permitted by the state requesting assistance to render aid involving such skill to meet a declared emergency or disaster, subject to such limitations and conditions as the governor of the requesting state may prescribe by executive order or otherwise.

**ARTICLE VI
LIABILITY**

Officers or employees of a party state rendering aid in another state under this compact shall be considered agents of the requesting state for tort liability and immunity purposes; and no party state or its officers or employees rendering aid in another state under this compact shall be liable on account of any act or omission in good faith on the part of such forces while so engaged or on account of the maintenance or use of any equipment or supplies in connection therewith. Good faith in this article may not include willful misconduct, gross negligence, or recklessness.

**ARTICLE VII
SUPPLEMENTARY AGREEMENTS**

Inasmuch as it is probable that the pattern and detail of the machinery for mutual aid among two or more states may differ from that among the states that are party to this compact, this instrument contains elements of a broad base common to all states, and nothing in this compact shall preclude any state from entering into supplementary agreements with another state or affect any other agreements already in force between states. Supplementary agreements may comprehend, but shall not be limited to, provisions for evacuation and reception of injured and other persons and the exchange of medical, fire, police, public utility, reconnaissance, welfare, transportation and communications personnel, and equipment and supplies.

**ARTICLE VIII
COMPENSATION**

Each party state shall provide for payment of compensation and death benefits to injured members of the emergency forces of that state and representatives of deceased members of such forces in case such members sustain injuries or are killed while rendering aid under this compact, in the same manner and on the same terms as if the injury or death were sustained within their own state.

**ARTICLE IX
REIMBURSEMENT**

Any party state rendering aid in another state under this compact shall be reimbursed by the party state receiving the aid for any loss or damage to or expense incurred in the operation of any equipment and the provision of any service in answering a request for aid and for the costs incurred in connection with the requests. However, any aiding party state may assume in whole or in part the loss, damage, expense, or other cost, or may loan equipment or donate services to the

receiving party state without charge or cost; and any two or more party states may enter into supplementary agreements establishing a different allocation of costs among those states. Article VIII expenses may not be reimbursable under this article.

ARTICLE X
EVACUATION

Plans for the orderly evacuation and interstate reception of portions of the civilian population as the result of any emergency or disaster of sufficient proportions to so warrant, shall be worked out and maintained between the party states and the emergency management/services directors of the various jurisdictions where any type of incident requiring evacuation might occur. The plans shall be put into effect by request of the state from which evacuees come and shall include the manner of transporting evacuees, the number of evacuees to be received in different areas, the manner in which food, clothing, housing, and medical care will be provided, the registration of evacuees, the providing of facilities for the notification of relatives or friends, and the forwarding of evacuees to other areas or the bringing in of additional materials, supplies, and all other relevant factors. Plans shall provide that the party state receiving evacuees and the party state from which the evacuees come shall mutually agree as to reimbursement of out-of-pocket expenses incurred in receiving and caring for the evacuees, for expenditures for transportation, food, clothing, medicines and medical care, and like items. Expenditures shall be reimbursed as agreed by the party state from which the evacuees come. After the termination of the emergency or disaster, the party state from which the evacuees come shall assume the responsibility for the ultimate support of repatriation of the evacuees.

ARTICLE XI
IMPLEMENTATION

(1) This compact shall become operative immediately upon its enactment into law by any two states. After the first enactment, this compact shall become effective as to any other state upon its enactment by such state.

(2) Any party state may withdraw from this compact by enacting a statute repealing the compact, but no withdrawal may take effect until thirty days after the governor of the withdrawing state has given notice in writing of the withdrawal to the governors of all other party states. This action may not relieve the withdrawing state from obligations assumed under this compact before the effective date of withdrawal.

(3) Duly authenticated copies of this compact and such supplementary agreements as may be entered into shall, at the time of their approval, be deposited with each of the party states, and with the federal emergency management agency and other appropriate agencies of the United States government.

ARTICLE XII
ADDITIONAL PROVISIONS

Nothing in this compact shall authorize or permit the use of military force by the national guard of a state at any place outside that state in any emergency for which the president is authorized by law to call into federal service the militia, or for any purpose for which the use of the army or the air force would in the absence of express statutory authorization be prohibited under 18 U.S.C. Sec. 1385.

NEW SECTION. Sec. 2. 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. 3. Sections 1 and 2 of this act constitute a new chapter in Title 38 RCW.

Passed the Senate April 16, 2001.

Passed the House April 5, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 289

[Substitute Senate Bill 5309]

LOCAL GOVERNMENT CRIMINAL JUSTICE FUNDING

AN ACT Relating to funding for local government criminal justice; amending RCW 3.62.090, 46.63.110, and 43.08.250; adding a new section to chapter 46.64 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 3.62.090 and 1997 c 331 s 4 are each amended to read as follows:

(1) There shall be assessed and collected in addition to any fines, forfeitures, or penalties assessed, other than for parking infractions, by all courts organized under Title 3 or 35 RCW a public safety and education assessment equal to sixty percent of such fines, forfeitures, or penalties, which shall be remitted as provided in chapters 3.46, 3.50, 3.62, and 35.20 RCW. The assessment required by this section shall not be suspended or waived by the court.

(2) There shall be assessed and collected in addition to any fines, forfeitures, or penalties assessed, other than for parking infractions and for fines levied under RCW 46.61.5055, and in addition to the public safety and education assessment required under subsection (1) of this section, by all courts organized under Title 3 or 35 RCW, an additional public safety and education assessment equal to fifty percent of the public safety and education assessment required under subsection (1) of this section, which shall be remitted to the state treasurer and deposited as provided in RCW 43.08.250. The additional assessment required by this subsection shall not be suspended or waived by the court.

(3) This section does not apply to the fee imposed under RCW ~~((43.63.110(6)))~~ 46.63.110(6) or the penalty imposed under RCW 46.63.110(7).

Sec. 2. RCW 46.63.110 and 1997 c 331 s 3 are each amended to read as follows:

(1) A person found to have committed a traffic infraction shall be assessed a monetary penalty. No penalty may exceed two hundred and fifty dollars for each offense unless authorized by this chapter or title.

(2) The supreme court shall prescribe by rule a schedule of monetary penalties for designated traffic infractions. This rule shall also specify the conditions under which local courts may exercise discretion in assessing fines and penalties for traffic infractions. The legislature respectfully requests the supreme court to adjust this schedule every two years for inflation.

(3) There shall be a penalty of twenty-five dollars for failure to respond to a notice of traffic infraction except where the infraction relates to parking as defined by local law, ordinance, regulation, or resolution or failure to pay a monetary penalty imposed pursuant to this chapter. A local legislative body may set a monetary penalty not to exceed twenty-five dollars for failure to respond to a notice of traffic infraction relating to parking as defined by local law, ordinance, regulation, or resolution. The local court, whether a municipal, police, or district court, shall impose the monetary penalty set by the local legislative body.

(4) Monetary penalties provided for in chapter 46.70 RCW which are civil in nature and penalties which may be assessed for violations of chapter 46.44 RCW relating to size, weight, and load of motor vehicles are not subject to the limitation on the amount of monetary penalties which may be imposed pursuant to this chapter.

(5) Whenever a monetary penalty is imposed by a court under this chapter it is immediately payable. If the person is unable to pay at that time the court may, in its discretion, grant an extension of the period in which the penalty may be paid. If the penalty is not paid on or before the time established for payment the court shall notify the department of the failure to pay the penalty, and the department shall suspend the person's driver's license or driving privilege until the penalty has been paid and the penalty provided in subsection (3) of this section has been paid.

(6) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction shall be assessed a fee of five dollars per infraction. Under no circumstances shall this fee be reduced or waived. Revenue from this fee shall be forwarded to the state treasurer for deposit in the emergency medical services and trauma care system trust account under RCW 70.168.040.

(7)(a) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction other than of RCW 46.61.527 shall be assessed an additional penalty of ten dollars. The court may not reduce, waive, or suspend the additional penalty unless the court finds the offender to be indigent. If a community service program for offenders is available in the jurisdiction, the court

shall allow offenders to offset all or a part of the penalty due under this subsection (7) by participation in the community service program.

(b) Revenue from the additional penalty must be remitted under chapters 2.08, 3.46, 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this subsection to the state treasurer must be deposited as provided in RCW 43.08.250. The balance of the revenue received by the county or city treasurer under this subsection must be deposited into the county or city current expense fund. Moneys retained by the city or county under this subsection shall constitute reimbursement for any liabilities under RCW 43.135.060.

NEW SECTION. Sec. 3. A new section is added to chapter 46.64 RCW to read as follows:

(1) In addition to any other penalties imposed for conviction of a violation of this title that is a misdemeanor, gross misdemeanor, or felony, the court shall impose an additional penalty of fifty dollars. The court may not reduce, waive, or suspend the additional penalty unless the court finds the offender to be indigent. If a community service program for offenders is available in the jurisdiction, the court shall allow offenders to offset all or a part of the penalty due under this section by participation in the community service program.

(2) Revenue from the additional penalty must be remitted under chapters 2.08, 3.46, 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this section to the state treasurer must be deposited as provided in RCW 43.08.250. The balance of the revenue received by the county or city treasurer under this section must be deposited into the county or city current expense fund. Moneys retained by the city or county under this subsection shall constitute reimbursement for any liabilities under RCW 43.135.060.

Sec. 4. RCW 43.08.250 and 2000 2nd sp.s. c I s 911 are each amended to read as follows:

The money received by the state treasurer from fees, fines, forfeitures, penalties, reimbursements or assessments by any court organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be deposited in the public safety and education account which is hereby created in the state treasury. The legislature shall appropriate the funds in the account to promote traffic safety education, highway safety, criminal justice training, crime victims' compensation, judicial education, the judicial information system, civil representation of indigent persons, winter recreation parking, drug court operations, and state game programs. During the fiscal biennium ending June 30, 2001, the legislature may appropriate moneys from the public safety and education account for purposes of appellate indigent defense and other operations of the office of public defense, the criminal litigation unit of the attorney general's office, the treatment alternatives to street crimes program, crime victims advocacy programs, justice information network telecommunication planning, sexual assault treatment, operations of the office of administrator for the courts, security in the common schools, alternative school start-up grants, programs for disruptive students, criminal justice data collection,

Washington state patrol criminal justice activities, drug court operations, department of ecology methamphetamine-related activities, financial assistance to local jurisdictions for extraordinary costs incurred in the adjudication of criminal cases, domestic violence treatment and related services, the department of corrections' costs in implementing chapter 196, Laws of 1999, reimbursement of local governments for costs associated with implementing criminal and civil justice legislation, and the replacement of the department of corrections' offender-based tracking system.

Passed the Senate April 16, 2001.

Passed the House April 11, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 290

[Substitute Senate Bill 5319]

MUNICIPAL RESEARCH COUNCIL—MEMBERSHIP

AN ACT Relating to the municipal research council; amending RCW 43.110.010; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.110.010 and 1997 c 437 s 1 are each amended to read as follows:

There shall be a state agency which shall be known as the municipal research council. The council shall be composed of ~~((twenty-three))~~ fourteen members. ~~((Four))~~ Two members shall be appointed by the president of the senate, with equal representation from each of the two major political parties; ~~((four))~~ two members shall be appointed by the speaker of the house of representatives, with equal representation from each of the two major political parties; one member shall be ~~((appointed by the governor independently))~~ the director of community, trade, and economic development; ~~((nine))~~ six members, who shall be city or town officials, shall be appointed by the governor from a list of ~~((nine))~~ six nominees submitted by the board of directors of the association of Washington cities; and ~~((five))~~ three members, who shall be county officials, shall be appointed by the governor, ~~((two))~~ one of whom shall be ~~((from a list of two nominees))~~ a nominee submitted by the board of directors of the Washington association of county officials, and ~~((three))~~ two of whom shall be from a list of ~~((three))~~ two nominees submitted by the board of directors of the Washington state association of counties. Of the city or town officials, at least one shall be an official of a city having a population of twenty thousand or more; at least one shall be an official of a city having a population of one thousand five hundred to twenty thousand; and at least one shall be an official of a town having a population of less than one thousand five hundred.

The terms of members shall be for two years. The terms of those members who are appointed as legislators or city, town, or county officials shall be

dependent upon continuance in legislative, city, town, or county office. The terms of all members except legislative members shall commence on the first day of August in every odd-numbered year. The speaker of the house of representatives and the president of the senate shall make their appointments on or before the third Monday in January in each odd-numbered year, and the terms of the members thus appointed shall commence on the third Monday of January in each odd-numbered year.

Council members shall receive no compensation but shall be reimbursed for travel expenses at rates in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended, except that members of the council who are also members of the legislature shall be reimbursed at the rates provided by RCW 44.04.120.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the Senate April 20, 2001.

Passed the House April 19, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 291

[Substitute Senate Bill 5401]

BOARD AND COMMISSION ELIMINATION

AN ACT Relating to the elimination of boards and commissions; amending RCW 70.105D.030; reenacting and amending RCW 43.20A.360; creating new sections; repealing RCW 43.20A.370, 43.20A.375, 43.20A.380, 50.67.010, 50.67.020, 50.67.030, 77.70.030, and 77.70.270; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

PART I

DEPARTMENT OF SOCIAL AND HEALTH SERVICES REGIONAL ADVISORY COMMITTEES

Sec. 101. RCW 43.20A.360 and 1989 1st ex.s. c 9 s 214 and 1989 c 11 s 14 are each reenacted and amended to read as follows:

(1) The secretary is hereby authorized to appoint such advisory committees or councils as may be required by any federal legislation as a condition to the receipt of federal funds by the department. The secretary may appoint statewide committees or councils in the following subject areas: (a) Health facilities; (b) children and youth services; (c) blind services; (d) medical and health care; (e) drug abuse and alcoholism; (f) social services; (g) economic services; (h) vocational services; (i) rehabilitative services; and on such other subject matters as are or come within the department's responsibilities. ~~((The secretary shall appoint committees or councils advisory to the department in each service delivery region~~

~~to be designated by the secretary;))~~ The statewide ~~((and the regional))~~ councils shall have representation from both major political parties and shall have substantial consumer representation. Such committees or councils shall be constituted as required by federal law or as the secretary in his or her discretion may determine. The members of the committees or councils shall hold office for three years except in the case of a vacancy, in which event appointment shall be only for the remainder of the unexpired term for which the vacancy occurs. No member shall serve more than two consecutive terms.

(2) Members of such state advisory committees or councils may be paid their travel expenses in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended. ~~((Members of regional advisory committees may, in the discretion of the secretary, be paid the same travel expenses as set forth above.))~~

PART 2

DEPARTMENT OF SOCIAL AND HEALTH SERVICES STATE ADVISORY COMMITTEE

NEW SECTION. Sec. 201. The following acts or parts of acts are each repealed:

(1) RCW 43.20A.370 (State advisory committee to department—Created—Membership—Terms—Vacancies) and 1988 c 49 s 1, 1984 c 259 s 2, & 1971 ex.s. c 189 s 13;

(2) RCW 43.20A.375 (State advisory committee to department—Powers and duties) and 1999 c 372 s 6, 1988 c 49 s 2, 1984 c 259 s 3, & 1971 ex.s. c 189 s 14; and

(3) RCW 43.20A.380 (State advisory committee to department—Travel expenses) and 1975-'76 2nd ex.s. c 34 s 99 & 1971 ex.s. c 189 s 15.

PART 3

WASHINGTON STATE JOB TRAINING COORDINATING COUNCIL

NEW SECTION. Sec. 301. The following acts or parts of acts are each repealed:

(1) RCW 50.67.010 (Council created) and 1991 c 238 s 14;

(2) RCW 50.67.020 (Membership of council—Assistance to work force training and education coordinating board) and 1991 c 238 s 15; and

(3) RCW 50.67.030 (Washington youthbuild program—Council to advise) and 1994 sp.s. c 3 s 8.

PART 4

REGIONAL CITIZEN'S ADVISORY COMMITTEES MODEL TOXICS CONTROL ACT

Sec. 401. RCW 70.105D.030 and 1997 c 406 s 3 are each amended to read as follows:

(1) The department may exercise the following powers in addition to any other powers granted by law:

(a) Investigate, provide for investigating, or require potentially liable persons to investigate any releases or threatened releases of hazardous substances, including but not limited to inspecting, sampling, or testing to determine the nature or extent of any release or threatened release. If there is a reasonable basis to believe that a release or threatened release of a hazardous substance may exist, the department's authorized employees, agents, or contractors may enter upon any property and conduct investigations. The department shall give reasonable notice before entering property unless an emergency prevents such notice. The department may by subpoena require the attendance or testimony of witnesses and the production of documents or other information that the department deems necessary;

(b) Conduct, provide for conducting, or require potentially liable persons to conduct remedial actions (including investigations under (a) of this subsection) to remedy releases or threatened releases of hazardous substances. In carrying out such powers, the department's authorized employees, agents, or contractors may enter upon property. The department shall give reasonable notice before entering property unless an emergency prevents such notice. In conducting, providing for, or requiring remedial action, the department shall give preference to permanent solutions to the maximum extent practicable and shall provide for or require adequate monitoring to ensure the effectiveness of the remedial action;

(c) Indemnify contractors retained by the department for carrying out investigations and remedial actions, but not for any contractor's reckless or wilful misconduct;

(d) Carry out all state programs authorized under the federal cleanup law and the federal resource, conservation, and recovery act, 42 U.S.C. Sec. 6901 et seq., as amended;

(e) Classify substances as hazardous substances for purposes of RCW 70.105D.020(7) and classify substances and products as hazardous substances for purposes of RCW 82.21.020(1);

(f) Issue orders or enter into consent decrees or agreed orders that include, or issue written opinions under (i) of this subsection that may be conditioned upon, deed restrictions where necessary to protect human health and the environment from a release or threatened release of a hazardous substance from a facility. Prior to establishing a deed restriction under this subsection, the department shall notify and seek comment from a city or county department with land use planning authority for real property subject to a deed restriction;

(g) Enforce the application of permanent and effective institutional controls that are necessary for a remedial action to be protective of human health and the environment;

(h) Require holders to conduct remedial actions necessary to abate an imminent or substantial endangerment pursuant to RCW 70.105D.020(12)(b)(ii)(C);

(i) Provide informal advice and assistance to persons regarding the administrative and technical requirements of this chapter. This may include site-specific advice to persons who are conducting or otherwise interested in independent remedial actions. Any such advice or assistance shall be advisory only, and shall not be binding on the department. As a part of providing this advice and assistance for independent remedial actions, the department may prepare written opinions regarding whether the independent remedial actions or proposals for those actions meet the substantive requirements of this chapter or whether the department believes further remedial action is necessary at the facility. The department may collect, from persons requesting advice and assistance, the costs incurred by the department in providing such advice and assistance; however, the department shall, where appropriate, waive collection of costs in order to provide an appropriate level of technical assistance in support of public participation. The state, the department, and officers and employees of the state are immune from all liability, and no cause of action of any nature may arise from any act or omission in providing, or failing to provide, informal advice and assistance; and

(j) Take any other actions necessary to carry out the provisions of this chapter, including the power to adopt rules under chapter 34.05 RCW.

(2) The department shall immediately implement all provisions of this chapter to the maximum extent practicable, including investigative and remedial actions where appropriate. The department shall adopt, and thereafter enforce, rules under chapter 34.05 RCW to:

(a) Provide for public participation, including at least (i) ~~((the establishment of regional citizen's advisory committees, (ii)))~~ public notice of the development of investigative plans or remedial plans for releases or threatened releases~~((;))~~ and ~~((iii))~~ (ii) concurrent public notice of all compliance orders, agreed orders, enforcement orders, or notices of violation;

(b) Establish a hazard ranking system for hazardous waste sites;

(c) Provide for requiring the reporting by an owner or operator of releases of hazardous substances to the environment that may be a threat to human health or the environment within ninety days of discovery, including such exemptions from reporting as the department deems appropriate, however this requirement shall not modify any existing requirements provided for under other laws;

(d) Establish reasonable deadlines not to exceed ninety days for initiating an investigation of a hazardous waste site after the department receives notice or otherwise receives information that the site may pose a threat to human health or the environment and other reasonable deadlines for remedying releases or threatened releases at the site;

(e) Publish and periodically update minimum cleanup standards for remedial actions at least as stringent as the cleanup standards under section 121 of the federal cleanup law, 42 U.S.C. Sec. 9621, and at least as stringent as all applicable

state and federal laws, including health-based standards under state and federal law; and

(f) Apply industrial clean-up standards at industrial properties. Rules adopted under this subsection shall ensure that industrial properties cleaned up to industrial standards cannot be converted to nonindustrial uses without approval from the department. The department may require that a property cleaned up to industrial standards is cleaned up to a more stringent applicable standard as a condition of conversion to a nonindustrial use. Industrial clean-up standards may not be applied to industrial properties where hazardous substances remaining at the property after remedial action pose a threat to human health or the environment in adjacent nonindustrial areas.

(3) Before November 1st of each even-numbered year, the department shall develop, with public notice and hearing, and submit to the ways and means and appropriate standing environmental committees of the senate and house of representatives a ranked list of projects and expenditures recommended for appropriation from both the state and local toxics control accounts. The department shall also provide the legislature and the public each year with an accounting of the department's activities supported by appropriations from the state toxics control account, including a list of known hazardous waste sites and their hazard rankings, actions taken and planned at each site, how the department is meeting its top two management priorities under RCW 70.105.150, and all funds expended under this chapter.

(4) The department shall establish a scientific advisory board to render advice to the department with respect to the hazard ranking system, cleanup standards, remedial actions, deadlines for remedial actions, monitoring, the classification of substances as hazardous substances for purposes of RCW 70.105D.020(7) and the classification of substances or products as hazardous substances for purposes of RCW 82.21.020(1). The board shall consist of five independent members to serve staggered three-year terms. No members may be employees of the department. Members shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(5) The department shall establish a program to identify potential hazardous waste sites and to encourage persons to provide information about hazardous waste sites.

PART 5

SEA URCHIN AND SEA CUCUMBER ADVISORY REVIEW BOARD COASTAL CRAB ADVISORY REVIEW BOARD

NEW SECTION. **Sec. 501.** RCW 77.70.030 (Advisory review boards) and 2000 c 107 s 57, 1999 c 151 s 1601, & 1995 c 269 s 3101 are each repealed.

**PART 6
OCEAN PINK SHRIMP ADVISORY REVIEW BOARD**

NEW SECTION. Sec. 601. RCW 77.70.270 (Ocean pink shrimp—Delivery license—Reduction of landing requirement) and 2000 c 107 s 75 & 1993 c 376 s 10 are each repealed.

**PART 7
SHORELINES GUIDELINES COMMISSION**

NEW SECTION. Sec. 701. By July 1, 2001, the director of the department of ecology shall abolish the shorelines guidelines commission.

**PART 8
WETLANDS MITIGATION BANKING ADVISORY TEAM**

NEW SECTION. Sec. 801. By July 1, 2001, the director of the department of ecology shall abolish the wetlands mitigation banking advisory team.

**PART 9
THE COMMISSION ON LEGISLATIVE BUILDING
PRESERVATION AND RENOVATION**

NEW SECTION. Sec. 901. By July 1, 2001, the commission on legislative building preservation and renovation created in House Concurrent Resolution No. 4410 is abolished.

**PART 10
MISCELLANEOUS**

NEW SECTION. Sec. 1001. It is the intent of the legislature that the department of social and health services and the department of ecology, in consultation with affected constituent groups, continue appropriate public involvement and outreach mechanisms designed to provide cost-effective public input on their programs and policies.

NEW SECTION. Sec. 1002. Part headings used in this act are not any part of the law.

NEW SECTION. Sec. 1003. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the Senate April 16, 2001.

Passed the House April 4, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 292

[Substitute Senate Bill 5474]

GENERAL ADMINISTRATION SERVICES ACCOUNT

AN ACT Relating to consolidating funds within the general administration services account; amending RCW 39.35.060, 43.19.025, and 43.19.1923; and repealing RCW 39.35C.110.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 39.35.060 and 1996 c 186 s 404 are each amended to read as follows:

The department may impose fees upon affected public agencies for the review of life-cycle cost analyses. The fees shall be deposited in the ~~((energy efficiency services account established in RCW 39.35C.110))~~ general administration services account. The purpose of the fees is to recover the costs by the department for review of the analyses. The department shall set fees at a level necessary to recover all of its costs related to increasing the energy efficiency of state-supported new construction. The fees shall not exceed one-tenth of one percent of the total cost of any project or exceed two thousand dollars for any project unless mutually agreed to. The department shall provide detailed calculation ensuring that the energy savings resulting from its review of life-cycle cost analysis justify the costs of performing that review.

Sec. 2. RCW 43.19.025 and 1998 c 105 s 1 are each amended to read as follows:

The general ~~((services))~~ administration ~~((general administration services))~~ services account is created in the custody of the state treasurer and shall be used for all activities previously budgeted and accounted for in the following internal service funds: The motor transport account, the general administration management fund, the general administration facilities and services revolving fund, the central stores revolving fund, the surplus property purchase revolving fund, ~~((and))~~ the risk management account, and the energy efficiency services account. Only the director or the director's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW.

Sec. 3. RCW 43.19.1923 and 1998 c 105 s 6 are each amended to read as follows:

The general administration services account shall be used for the purchase of supplies and equipment handled or rented through central stores, and the payment of salaries, wages, and other costs incidental to the acquisition, operation, and maintenance of the central stores, and other activities connected therewith, which shall include utilities services. ~~((Disbursements from the account for the purchasing and contract administration activities of the division of purchasing within the department are subject to appropriation and allotment procedures under chapter 43.88 RCW. Disbursements for all other state purchasing activities within the general administration services account are not subject to appropriation.))~~ The account shall be credited with all receipts from the rental, sale, or distribution of

supplies, equipment, and services rendered to the various state agencies. Central stores, utilities services, and other activities within the general administration services account shall be treated as separate operating entities for financial and accounting control. Financial records involving the general administration services account shall be designed to provide data for achieving maximum effectiveness and economy of each individual activity within the account.

NEW SECTION. Sec. 4. RCW 39.35C.110 (Energy efficiency services account—Fees) and 1996 c 186 s 415 & 1991 c 201 s 12 are each repealed.

Passed the Senate April 19, 2001.

Passed the House April 10, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 293

[Substitute Senate Bill 5494]

MOTOR VEHICLES—NOISE PREVENTION

AN ACT Relating to noise prevention for motor vehicles; and amending RCW 46.37.390.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.37.390 and 1977 ex.s. c 355 s 33 are each amended to read as follows:

(1) Every motor vehicle shall at all times be equipped with a muffler in good working order and in constant operation to prevent excessive or unusual noise, and no person shall use a muffler cut-out, bypass, or similar device upon a motor vehicle on a highway.

(2)(a) No motor vehicle first sold and registered as a new motor vehicle on or after January 1, 1971, shall discharge into the atmosphere at elevations of less than three thousand feet any air contaminant for a period of more than ten seconds which is:

(i) As dark as or darker than the shade designated as No. 1 on the Ringelmann chart, as published by the United States bureau of mines; or

(ii) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subsection (a)(i) above.

(b) No motor vehicle first sold and registered prior to January 1, 1971, shall discharge into the atmosphere at elevations of less than three thousand feet any air contaminant for a period of more than ten seconds which is:

(i) As dark as or darker than the shade designated as No. 2 on the Ringelmann chart, as published by the United States bureau of mines; or

(ii) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subsection (b)(i) above.

(c) For the purposes of this subsection the following definitions shall apply:

(i) "Opacity" means the degree to which an emission reduces the transmission of light and obscures the view of an object in the background;

(ii) "Ringelmann chart" means the Ringelmann smoke chart with instructions for use as published by the United States bureau of mines in May 1967 and as thereafter amended, information circular 7718.

(3) No person shall modify the exhaust system of a motor vehicle in a manner which will amplify or increase the noise emitted by the engine of such vehicle above that emitted by the muffler originally installed on the vehicle, and it shall be unlawful for any person to operate a motor vehicle not equipped as required by this subsection, or which has been amplified as prohibited by this subsection so that the vehicle's exhaust noise exceeds ninety-five decibels as measured by the Society of Automotive Engineers (SAE) test procedure J1169 (May, 1998). It is not a violation of this subsection unless proven by proper authorities that the exhaust system modification results in noise amplification in excess of ninety-five decibels under the prescribed SAE test standard. A court may dismiss an infraction notice for a violation of this subsection if there is reasonable grounds to believe that the vehicle was not operated in violation of this subsection.

This subsection (3) does not apply to vehicles twenty-five or more years old or to passenger vehicles being operated off the highways in an organized racing or competitive event conducted by a recognized sanctioning body.

Passed the Senate April 16, 2001.

Passed the House April 9, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 294

[Engrossed Second Substitute Senate Bill 5593]

ACCOUNTANCY

AN ACT Relating to the public accountancy act; amending RCW 18.04.015, 18.04.025, 18.04.035, 18.04.045, 18.04.055, 18.04.065, 18.04.105, 18.04.180, 18.04.183, 18.04.185, 18.04.195, 18.04.205, 18.04.215, 18.04.295, 18.04.305, 18.04.335, 18.04.345, 18.04.350, 18.04.370, 18.04.380, 18.04.390, and 18.04.405; creating a new section; prescribing penalties; providing an effective date; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 18.04.015 and 1992 c 103 s 1 are each amended to read as follows:

(1) It is the policy of this state and the purpose of this chapter:

(a) To promote the dependability of information which is used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public, private or governmental; and

(b) To protect the public interest by requiring that:

(i) ~~Persons who hold themselves out ((to the public)) as ((certified public accountants who offer to perform, or perform for clients, professional services; including but not limited to one or more kinds of services involving the use of~~

~~accounting or auditing skills, including the issuance of "audit reports," "review reports," or "compilation reports" on financial statements, or one or more kinds of management advisory, or consulting services, the preparation of tax returns, or the furnishing of advice on tax matters, perform such services)) licensees or certificate holders conduct themselves in a competent, ethical, and professional manner;~~

(ii) A public authority be established that is competent to prescribe and assess the qualifications of certified public accountants, including certificate holders who are not licensed for the practice of public accounting;

(iii) Persons other than ~~((certified public accountants))~~ licensees refrain from using the words "audit," "review," and "compilation" when designating a report customarily prepared by someone knowledgeable in accounting; ~~((and))~~

~~(iv) A public authority be established to provide for consumer alerts and public protection information to be published regarding persons or firms who violate the provisions of this act or board rule and to provide general consumer protection information to the public; and~~

~~(v) The use of accounting titles likely to confuse the public be prohibited.~~

~~(2) The purpose of this act is to make revisions to chapter 234, Laws of 1983 and chapter 103, Laws of 1992 to: Fortify the public protection provisions of this act; establish one set of qualifications to be a licensee; revise the regulations of certified public accountants; make revisions in the ownership of certified public accounting firms; assure to the greatest extent possible that certified public accountants from Washington state are substantially equivalent with certified public accountants in other states and can therefore perform the duties of certified public accountants in as many states and countries as possible; assure certified public accountants from other states and countries have met qualifications that are substantially equivalent to the certified public accountant qualifications of this state; and clarify the authority of the board of accountancy with respect to the activities of persons holding licenses and certificates under this chapter. It is not the intent of this act to in any way restrict or limit the activities of persons not holding licenses or certificates under this chapter except as otherwise specifically restricted or limited by chapter 234, Laws of 1983 and chapter 103, Laws of 1992.~~

~~(3) A purpose of chapter 103, Laws of 1992, revising provisions of chapter 234, Laws of 1983, is to clarify the authority of the board of accountancy with respect to the activities of persons holding certificates under this chapter. Furthermore, it is not the intent of chapter 103, Laws of 1992 to in any way restrict or limit the activities of persons not holding certificates under this chapter except as otherwise specifically restricted or limited by chapter 234, Laws of 1983.~~

Sec. 2. RCW 18.04.025 and 1999 c 378 s 1 are each amended to read as follows:

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

(1) "Board" means the board of accountancy created by RCW 18.04.035.

(2) "Certificate holder" means the holder of a certificate as a certified public accountant who has not become a licensee, has maintained CPE requirements, and who does not practice public accounting.

(3) "Certified public accountant" or "CPA" means a person holding a certified public accountant license or certificate.

~~((3))~~ (4) "State" includes the states of the United States, the District of Columbia, Puerto Rico, Guam, and the United States Virgin Islands.

~~((4))~~ (5) "Reports on financial statements" means any reports or opinions prepared by ~~((certified public accountants))~~ licensees, based on services performed in accordance with generally accepted auditing standards, standards for attestation engagements, or standards for accounting and review services as to whether the presentation of information used for guidance in financial transactions or for accounting for or assessing the status or performance of commercial and noncommercial enterprises, whether public, private, or governmental, conforms with generally accepted accounting principles or other comprehensive bases of accounting. "Reports on financial statements" does not include services referenced in RCW 18.04.350(6) provided by persons not holding a license under this chapter.

~~((5))~~ (6) The "practice of public accounting" means performing or offering to perform by a person or firm holding itself out to the public as a licensee, for a client or potential client, one or more kinds of services involving the use of accounting or auditing skills, including the issuance of "audit reports," "review reports," or "compilation reports" on financial statements, or one or more kinds of management advisory, or consulting services, or the preparation of tax returns, or the furnishing of advice on tax matters. The "practice of public accounting" shall not include practices that are permitted under the provisions of RCW 18.04.350(6) by persons or firms not required to be licensed under this chapter.

~~((6))~~ (7) "Firm" means a sole proprietorship, a corporation, or a partnership. "Firm" also means a limited liability company formed under chapter 25.15 RCW.

~~((7))~~ (8) "CPE" means continuing professional education.

~~((8))~~ (9) "Certificate" means a certificate as a certified public accountant issued prior to July 1, 2001, as authorized under the provisions of this chapter ~~((; or a corresponding certificate issued by another state or foreign jurisdiction that is recognized in accordance with the reciprocity provisions of RCW 18.04.180 and 18.04.183)).~~

~~((9))~~ (10) "Licensee" means the holder of a ~~((valid))~~ license to practice public accountancy issued under this chapter.

~~((10))~~ (11) "License" means a license to practice public accountancy issued to an individual under this chapter, or a license issued to a firm under this chapter.

~~((11))~~ (12) "Manager" means a manager of a limited liability company licensed as a firm under this chapter.

(13) "NASBA" means the national association of state boards of accountancy.

(14) "Quality assurance review" means a process established by and conducted at the direction of the board of study, appraisal, or review of one or more aspects

of the ~~((professional))~~ attest work of a ~~((person))~~ licensee or licensed firm in the practice of public accountancy, by a person or persons who hold ~~((certificates))~~ licenses and who are not affiliated with the person or firm being reviewed.

~~((12))~~ ~~"Quality review"~~ (15) "Peer review" means a study, appraisal, or review of one or more aspects of the ~~((professional))~~ attest work of a ~~((person))~~ licensee or licensed firm in the practice of public accountancy, by a person or persons who hold ~~((certificates))~~ licenses and who are not affiliated with the person or firm being reviewed, including a peer review, or any internal review or inspection intended to comply with quality control policies and procedures, but not including the "quality assurance review" under subsection ~~((11))~~ (14) of this section.

~~((13))~~ (16) "Review committee" means any person carrying out, administering or overseeing a ~~((quality))~~ peer review authorized by the reviewee.

~~((14))~~ (17) "Rule" means any rule adopted by the board under authority of this chapter.

~~((15))~~ (18) "Holding out" means any representation to the public by the use of restricted titles as set forth in RCW 18.04.345 by a person or firm that the person or firm ~~((is a certified public accountant))~~ holds a license under this chapter and that the person or firm offers to perform any professional services to the public as a ~~((certified public accountant))~~ licensee. "Holding out" shall not affect or limit ~~((a person not required to hold a certificate under this chapter or))~~ a person or firm not required to hold a license under this chapter from engaging in practices identified in RCW 18.04.350~~((6))~~.

(19) "Natural person" means a living human being.

(20) "Inactive" means the certificate is in an inactive status because a person who held a valid certificate before July 1, 2001, has not met the current requirements of licensure and has been granted inactive certificate holder status through an approval process established by the board.

Sec. 3. RCW 18.04.035 and 1992 c 103 s 3 are each amended to read as follows:

(1) There is created a board of accountancy for the state of Washington to be known as the Washington state board of accountancy. Effective June 30, 2001, the board shall consist of ~~((seven))~~ nine members appointed by the governor. Members of the board shall include ~~((four))~~ six persons who ~~((hold valid certified public accountant certificates and have been in public practice as certified public accountants))~~ have been licensed in this state continuously for the previous ten years ~~((and two persons who have held a valid certified public accountant's certificate in this state for at least ten years))~~. ~~((The seventh))~~ Three members shall be ~~((the))~~ public members ~~((and shall be a person who is))~~ qualified to judge whether the qualifications, activities, and professional practice of those regulated under this chapter conform with standards to protect the public interest, including one public member qualified to represent the interests of clients of individuals and firms licensed under this chapter.

(2) The members of the board (~~(of accountancy)~~) shall be appointed by the governor to a term of three years. Vacancies occurring during a term shall be filled by appointment for the unexpired term. Upon the expiration of a member's term of office, the member shall continue to serve until a successor has been appointed and has assumed office. The governor shall remove from the board any member whose (~~(certificate or)~~) license to practice has been revoked or suspended and may, after hearing, remove any member of the board for neglect of duty or other just cause. No person who has served two successive complete terms is eligible for reappointment. Appointment to fill an unexpired term is not considered a complete term. In order to stagger their terms, of the two new appointments made to the board upon June 11, 1992, the first appointed member shall serve a term of two years initially.

Sec. 4. RCW 18.04.045 and 1992 c 103 s 4 are each amended to read as follows:

(1) The board shall annually elect a chair, a vice-chair, and a secretary from its members.

(2) A majority of the board constitutes a quorum for the transaction of business.

(3) The board shall have a seal which shall be judicially noticed.

(4) The board shall keep records of its proceedings, and of any proceeding in court arising from or founded upon this chapter. Copies of these records certified as correct under the seal of the board are admissible in evidence as tending to prove the content of the records.

(5) The governor shall appoint an executive director of the board, who shall serve at the pleasure of the governor. The executive director may employ such personnel as is appropriate for carrying out the purposes of this chapter. The executive director shall hold a valid Washington (~~(CPA certificate)~~) license. The board may arrange for such volunteer assistance as it requires to perform its duties. Individuals or committees assisting the board constitute volunteers for purposes of chapter 4.92 RCW.

(6) The board shall file an annual report of its activities with the governor. The report shall include, but not be limited to, a statement of all receipts and disbursements. Upon request, the board shall mail a copy of each annual report to any member of the public.

(7) In making investigations concerning alleged violations of the provisions of this chapter and in all proceedings under RCW 18.04.295 or chapter 34.05 RCW, the board chair, or a member of the board, or a board designee acting in the chair's place, may administer oaths or affirmations to witnesses appearing before the board, subpoena witnesses and compel their attendance, take testimony, and require that documentary evidence be submitted.

(8) The board may review the publicly available professional work of licensees on a general and random basis, without any requirement of a formal complaint or suspicion of impropriety on the part of any particular licensee. If as

a result of such review the board discovers reasonable grounds for a more specific investigation, the board may proceed under its investigative and disciplinary rules.

(9) The board may provide for consumer alerts and public protection information to be published regarding persons or firms who violate the provisions of this chapter or board rule and may provide general consumer protection information to the public.

(10) As provided in RCW 18.04.370, the board may enter into stipulated agreements and orders of assurance with persons who have violated the provisions of RCW 18.04.345 or certify the facts to the prosecuting attorney of the county in which such person resides for criminal prosecution.

Sec. 5. RCW 18.04.055 and 1992 c 103 s 5 are each amended to read as follows:

The board may adopt and amend rules under chapter 34.05 RCW for the orderly conduct of its affairs. The board shall prescribe rules consistent with this chapter as necessary to implement this chapter. Included may be:

- (1) Rules of procedure to govern the conduct of matters before the board;
- (2) Rules of professional conduct for all ~~((certificate and license holders))~~ licensees, certificate holders, and nonlicensee owners of licensed firms, in order to establish and maintain high standards of competence and ethics ~~((of certified public accountants))~~ including rules dealing with independence, integrity, objectivity, and freedom from conflicts of interest;
- (3) Rules specifying actions and circumstances deemed to constitute holding oneself out as a licensee in connection with the practice of public accountancy;
- (4) Rules specifying the manner and circumstances of the use of the titles "certified public accountant" and "CPA," by holders of certificates who do not also hold licenses under this chapter;
- (5) Rules specifying the educational requirements to take the certified public accountant examination ~~((or for the issuance of the certificate or license of certified public accountant))~~;
- (6) Rules designed to ensure that ~~((certified public accountants'))~~ licensees' "reports on financial statements" meet the definitional requirements for that term as specified in RCW 18.04.025;
- (7) Requirements for ~~((continuing professional education))~~ CPE to maintain or improve the professional competence of ~~((certificate and license holders))~~ licensees as a condition to maintaining their ~~((certificate or))~~ license ~~((to practice))~~ and certificate holders as a condition to maintaining their certificate under RCW 18.04.215;
- (8) Rules governing ~~((sole proprietors, partnerships, and corporations practicing public accounting))~~ firms issuing or offering to issue reports on financial statements or using the title "certified public accountant" or "CPA" including, but not limited to, rules concerning their style, name, title, and affiliation with any other organization, and establishing reasonable practice and ethical standards to protect the public interest;

(9) The board may by rule implement a quality assurance review program as a means to monitor licensees' quality of practice and compliance with professional standards. The board may exempt from such program, licensees who undergo periodic ~~((quality))~~ peer reviews in programs of the American Institute of Certified Public Accountants, ~~((National Association of State Boards of Accountancy))~~ NASBA, or other programs recognized and approved by the board;

(10) The board may by rule require licensed firms to obtain professional liability insurance if in the board's discretion such insurance provides additional and necessary protection for the public; ~~((and))~~

(11) Rules specifying the experience requirements in order to qualify for a license;

(12) Rules specifying the requirements for certificate holders to qualify for a license under this chapter which must include provisions for meeting CPE and experience requirements prior to application for licensure;

(13) Rules specifying the registration requirements, including ethics examination and fee requirements, for resident nonlicensee partners, shareholders, and managers of licensed firms;

(14) Rules specifying the ethics CPE requirements for certificate holders and owners of licensed firms, including the process for reporting compliance with those requirements;

(15) Rules specifying the experience and CPE requirements for licensees offering or issuing reports on financial statements; and

(16) Any other rule which the board finds necessary or appropriate to implement this chapter.

Sec. 6. RCW 18.04.065 and 1992 c 103 s 6 are each amended to read as follows:

The board shall set its fees at a level adequate to pay the costs of administering this chapter. ~~((Beginning in the 1993-95 biennium;))~~ Δll fees for ~~((certified public accountants'))~~ licenses, ~~((certificates;))~~ registrations of nonlicensee partners, shareholders, and managers of licensed firms, renewals of licenses, renewals of registrations of nonlicensee partners, shareholders, and managers of licensed firms, renewals of certificates, reinstatements of lapsed licenses, reinstatements of lapsed certificates, reinstatements of lapsed registrations of nonlicensee partners, shareholders, and managers of licensed firms, practice privileges under RCW 18.04.350, and delinquent filings received under the authority of this chapter shall be deposited in the certified public accountants' account created by RCW 18.04.105. Appropriation from such account shall be made only for the cost of administering the provisions of this chapter.

Sec. 7. RCW 18.04.105 and 2000 c 171 s 2 are each amended to read as follows:

(1) ~~((The certificate of "certified public accountant"))~~ Δ license to practice public accounting shall be granted by the board to any person:

(a) Who is of good character. Good character, for purposes of this section, means lack of a history of dishonest or felonious acts. The board may refuse to grant a ~~((certificate))~~ license on the ground of failure to satisfy this requirement only if there is a substantial connection between the lack of good character of the applicant and the professional and ethical responsibilities of a ~~((certified public accountant))~~ licensee and if the finding by the board of lack of good character is supported by a preponderance of evidence. When an applicant is found to be unqualified for a ~~((certificate))~~ license because of a lack of good character, the board shall furnish the applicant a statement containing the findings of the board and a notice of the applicant's right of appeal;

(b) Who has met the educational standards established by rule as the board determines to be appropriate;

~~((The board may, in its discretion, waive the educational requirements for any person if it is satisfied through review of documentation of successful completion of an equivalency examination that the person's educational qualifications are an acceptable substitute for the requirements of (b) of this subsection; and))~~

(c) Who has passed ~~((a written))~~ an examination;

(d) Who has had one year of experience which is gained:

(i) Through the use of accounting, issuing reports on financial statements, management advisory, financial advisory, tax, tax advisory, or consulting skills;

(ii) While employed in government, industry, academia, or public practice;
and

(iii) Meeting the competency requirements in a manner as determined by the board to be appropriate and established by board rule; and

(e) Who has paid appropriate fees as established by rule by the board.

(2) ~~The examination described in subsection (1)(c) of this section ((shall be in writing, shall be held twice a year, and))~~ shall test the applicant's knowledge of the subjects of accounting and auditing, and other related fields the board may specify by rule. The time for holding the examination is fixed by the board and may be changed from time to time. The board shall prescribe by rule the methods of applying for and taking the examination, including methods for grading ~~((papers))~~ examinations and determining a passing grade required of an applicant for a ~~((certificate))~~ license. The board shall to the extent possible see to it that the grading of the examination, and the passing grades, are uniform with those applicable to all other states. The board may make use of all or a part of the uniform certified public accountant examination and advisory grading service of the American Institute of Certified Public Accountants and may contract with third parties to perform administrative services with respect to the examination as the board deems appropriate to assist it in performing its duties under this chapter. The board shall establish by rule provisions for transitioning to a new examination structure or to a new media for administering the examination.

(3) ~~((An applicant is required to pass all sections of the examination provided for in subsection (2) of this section in order to qualify for a certificate. If at a given~~

sitting of the examination an applicant passes two or more but not all sections, then the applicant shall be given credit for those sections that he or she passed, and need not take those sections again: PROVIDED, That:

—(a) The applicant took all sections of the examination at that sitting;

—(b) The applicant attained a minimum grade of fifty on each section not passed at that sitting;

—(c) The applicant passes the remaining sections of the examination within six consecutive examinations given after the one at which the first sections were passed;

—(d) At each subsequent sitting at which the applicant seeks to pass additional sections, the applicant takes all sections not yet passed; and

—(e) In order to receive credit for passing additional sections in a subsequent sitting, the applicant attains a minimum grade of fifty on sections written but not passed on the sitting.

—(4) The board may waive or defer any of the requirements of subsection (3) of this section for candidates transferring conditional CPA exam credits from other states or for qualifying reciprocity certification applicants who met the conditioning requirements of the state or foreign jurisdiction issuing their original certificate.

—(5)) The board shall charge each applicant an examination fee for the initial examination ((under subsection (1) of this section;)) or for reexamination ((under subsection (3) of this section for each subject in which the applicant is reexamined)). The applicable fee shall be paid by the person at the time he or she applies for examination, reexamination, or evaluation of educational qualifications. Fees for examination, reexamination, or evaluation of educational qualifications shall be determined by the board under chapter 18.04 RCW. There is established in the state treasury an account to be known as the certified public accountants' account. All fees received from candidates to take any or all sections of the certified public accountant examination shall be used only for costs related to the examination.

(((6) Persons who on June 30, 1986, held certified public accountant certificates previously issued under the laws of this state shall not be required to obtain additional certificates under this chapter, but shall otherwise be subject to this chapter. Certificates previously issued shall, for all purposes, be considered certificates issued under this chapter and subject to its provisions.

—(7) A certificate of a "certified public accountant" under this chapter is issued every three years with renewal subject to requirements of continuing professional education and payment of fees, prescribed by the board.

—(8) The board shall adopt rules providing for continuing professional education for certified public accountants. The rules shall:

—(a) Provide that a certified public accountant shall verify to the board that he or she has completed at least an accumulation of one hundred twenty hours of

continuing professional education during the last three-year period to maintain the certificate;

~~— (b) Establish continuing professional education requirements;~~

~~— (c) Establish when newly certificated public accountants shall verify that they have completed the required continuing professional education;~~

~~— (d) Provide that failure to furnish verification of the completion of the continuing professional education requirement shall make the certificate invalid and subject to reinstatement, unless the board determines that the failure was due to retirement, reasonable cause, or excusable neglect; and~~

~~— (e) Provide for transition from existing to new continuing professional education requirements;~~

~~— (9) The board may adopt by rule new CPE standards that differ from those in subsection (8) of this section or RCW 18.04.215 if: (a) The new standards are consistent with the continuing professional education standards of other states so as to provide to the greatest extent possible, consistent national standards; and (b) the new standards are at least as strict as the standards set forth in subsection (8) of this section or RCW 18.04.215;)~~

(4) Persons who on June 30, 2001, held valid certificates previously issued under this chapter shall be deemed to be certificate holders, subject to the following:

(a) Certificate holders may, prior to June 30, 2004, petition the board to become licensees by documenting to the board that they have gained one year of experience through the use of accounting, issuing reports on financial statements, management advisory, financial advisory, tax, tax advisory, or consulting skills, without regard to the eight-year limitation set forth in (b) of this subsection, while employed in government, industry, academia, or public practice.

(b) Certificate holders who do not petition to become licensees prior to June 30, 2004, may after that date petition the board to become licensees by documenting to the board that they have one year of experience acquired within eight years prior to applying for a license through the use of accounting, issuing reports on financial statements, management advisory, financial advisory, tax, tax advisory, or consulting skills in government, industry, academia, or public practice.

(c) Certificate holders who petition the board pursuant to (a) or (b) of this subsection must also meet competency requirements in a manner as determined by the board to be appropriate and established by board rule.

(d) Any certificate holder petitioning the board pursuant to (a) or (b) of this subsection to become a licensee must submit to the board satisfactory proof of having completed an accumulation of one hundred twenty hours of CPE during the thirty-six months preceding the date of filing the petition.

(d) Any certificate holder petitioning the board pursuant to (a) or (b) of this subsection to become a licensee must pay the appropriate fees established by rule by the board.

(5) Certificate holders shall comply with the prohibition against the practice of public accounting in RCW 18.04.345.

(6) Persons who on June 30, 2001, held valid certificates previously issued under this chapter are deemed to hold inactive certificates, subject to renewal as inactive certificates, until they have petitioned the board to become licensees and have met the requirements of subsection (4) of this section. No individual who did not hold a valid certificate before July 1, 2001, is eligible to obtain an inactive certificate.

(7) Persons deemed to hold inactive certificates under subsection (6) of this section shall comply with the prohibition against the practice of public accounting in subsection (8)(b) of this section and RCW 18.04.345, but are not required to display the term inactive as part of their title, as required by subsection (8)(a) of this section until renewal. Certificates renewed to any persons after June 30, 2001, are inactive certificates and the inactive certificate holders are subject to the requirements of subsection (8) of this section.

(8) Persons holding an inactive certificate:

(a) Must use or attach the term "inactive" whenever using the title CPA or certified public accountant or referring to the certificate, and print the word "inactive" immediately following the title, whenever the title is printed on a business card, letterhead, or any other document, including documents published or transmitted through electronic media, in the same font and font size as the title; and

(b) Are prohibited from practicing public accounting.

Sec. 8. RCW 18.04.180 and 1992 c 103 s 8 are each amended to read as follows:

~~(1) The board shall issue a ((certificate to a holder of a certificate issued by another state, or shall issue a certificate and)) license to a holder of a certificate/valid license issued by another state that entitles the holder to practice public accountancy, provided that:~~

~~((+)) (a) Such state makes similar provision to grant reciprocity to a holder of a ((certificate or)) valid certificate ((and valid)) or license in this state; ((and~~

~~—(2)) (b) The applicant meets the ((continuing professional education)) CPE requirements of RCW ((18.04.105(8))) 18.04.215(5); ((and~~

~~—(3) If the application is for a certificate only:~~

~~—(a) The applicant passed the examination required for issuance of his or her certificate with grades that would have been passing grades at that time in this state; and~~

~~—(b) The applicant: Meets all current requirements in this state for issuance of a certificate at the time application is made; or at the time of the issuance of the applicant's certificate in the other state, met all the requirements then applicable in this state; or~~

~~—(4) If the application is for a certificate and license:~~

~~(a))~~ (c) The applicant meets the good character requirements of RCW 18.04.105(1)(a); and

(d) The applicant passed the examination required for issuance of his or her certificate or license with grades that would have been passing grades at that time in this state(;) and

~~((b) The applicant:))~~ meets all current requirements in this state for issuance of a license at the time application is made; or at the time of the issuance of the applicant's license in the other state, met all the requirements then applicable in this state; or has had five years of experience within the ten years immediately preceding application in the practice of public accountancy that meets the requirements prescribed by the board.

(2) The board may accept NASBA's designation of the applicant as substantially equivalent to national standards as meeting the requirement of subsection (1)(d) of this section.

(3) A licensee who has been granted a license under the reciprocity provisions of this section shall notify the board within thirty days if the license or certificate issued in the other jurisdiction has lapsed or if the status of the license or certificate issued in the other jurisdiction becomes otherwise invalid.

Sec. 9. RCW 18.04.183 and 1999 c 378 s 3 are each amended to read as follows:

The board shall grant a ~~((certificate or))~~ license as a certified public accountant to a holder of a permit, license, or certificate issued by a foreign country's board, agency, or institute, provided that:

(1) The foreign country where the foreign permit, license, or certificate was issued is a party to an agreement on trade with the United States that encourages the mutual recognition of licensing and certification requirements for the provision of covered services by the parties under the trade agreement; ~~((and))~~

(2) Such foreign country's board, agency, or institute makes similar provision to allow a person who holds a valid ~~((certificate))~~ license issued by this state to obtain such foreign country's comparable permit, license, or certificate; ~~((and))~~

(3) The foreign permit, license, or certificate:

(a) Was duly issued by such foreign country's board, agency, or institute that regulates the practice of public accountancy; and

(b) Is in good standing at the time of the application; and

(c) Was issued upon the basis of educational, examination, experience, and ethical requirements substantially equivalent currently or at the time of issuance of the foreign permit, license, or certificate to those in this state; ~~((and))~~

(4) The applicant has within the thirty-six months prior to application completed an accumulation of one hundred twenty hours of ~~((continuing professional education))~~ CPE as required under RCW ~~((18.04.105(8)))~~ 18.04.215(5). The board shall provide for transition from existing to new ~~((continuing professional education))~~ CPE requirements; ~~((and))~~

(5) ~~((If the application is for a certificate:~~

~~—(a))~~ The applicant's foreign permit, license, or certificate was the type of permit, license, or certificate requiring the most stringent qualifications if, in the foreign country, more than one type of permit, license, or certificate is issued. This state's board shall decide which are the most stringent qualifications; ~~(and~~

~~—(b))~~ ~~(6)~~ The applicant has passed a written examination or its equivalent, approved by the board, that tests knowledge in the areas of United States accounting principles, auditing standards, commercial law, income tax law, and Washington state rules of professional ethics; ~~(or~~

~~—(6)~~ If the application is for a certificate and license:

~~—(a)~~ The requirements of subsections ~~(1)~~ through ~~(5)~~ of this section are satisfied; ~~)~~ and

~~((b))~~ ~~(7)~~ The applicant has within the ~~((five))~~ eight years prior to applying for ~~((the certificate and))~~ a license under this section, demonstrated, in accordance with the rules issued by the board, one year of public accounting experience, within the foreign country where the foreign permit, license, or certificate was issued, equivalent to the experience required under RCW ~~((18.04.215(1)(a)))~~ 18.04.105(1)(d) or such other experience or employment which the board in its discretion regards as substantially equivalent.

The board may adopt by rule new CPE standards that differ from those in subsection (4) of this section or RCW 18.04.215 if the new standards are consistent with the ~~((continuing professional education))~~ CPE standards of other states so as to provide to the greatest extent possible, consistent national standards.

A licensee who has been granted a license under the reciprocity provisions of this section shall notify the board within thirty days if the permit, license, or certificate issued in the other jurisdiction has lapsed or if the status of the permit, license, or certificate issued in the other jurisdiction becomes otherwise invalid.

Sec. 10. RCW 18.04.185 and 1999 c 378 s 4 are each amended to read as follows:

~~((1))~~ Application for certification as certified public accountants by persons who are not residents of this state constitutes appointment of the secretary of state as an agent for service of process in any action or proceeding against the applicants arising from any transaction, activity, or operation connected with or incidental to the practice of public accounting in this state by nonresident holders of certified public accountant certificates:

~~—(2))~~ Application for a license to practice public accounting in this state by a certified public accountant or CPA firm who holds a license or permit to practice issued by another state constitutes the appointment of the secretary of state as an agent for service of process in any action or proceeding against the applicant arising from any transaction or operation connected with or incidental to the practice of public accounting in this state by the holder of the license to practice.

Sec. 11. RCW 18.04.195 and 1999 c 378 s 5 are each amended to read as follows:

(1) A sole proprietorship engaged in business in this state (~~((in the practice of public accounting))~~ and offering to issue or issuing reports on financial statements or using the title CPA or certified public accountant shall license as a firm, every three years with the board (~~(as a firm)~~).

(a) (~~The principal purpose and business of the firm shall be to furnish services to the public which are consistent with this chapter and the rules of the board.~~

~~—(b))~~ The ~~((person))~~ sole proprietor shall ~~((be a certified public accountant holding))~~ hold a license to practice under RCW 18.04.215(~~(c)~~);

~~((c))~~ ~~(b)~~ Each resident ~~((licensee))~~ person in charge of an office ~~((of the sole proprietorship engaged in this state in the practice of public accounting))~~ located in this state shall ~~((be a certified public accountant holding))~~ hold a license to practice under RCW 18.04.215; and

(c) The licensed firm must meet competency requirements established by rule by the board.

(2) A partnership engaged in business in this state (~~(in the practice of public accounting))~~ and offering to issue or issuing reports on financial statements or using the title CPA or certified public accountant shall license as a firm every three years with the board (~~(as a partnership of certified public accountants)~~), and shall meet the following requirements:

(a) (~~The principal purpose and business of the partnership shall be to furnish services to the public which are consistent with this chapter and the rules of the board;~~

~~—(b))~~ At least one general partner of the partnership shall ~~((be a certified public accountant holding))~~ hold a license to practice under RCW 18.04.215;

~~((c))~~ ~~(b)~~ Each resident ~~((licensee))~~ person in charge of an office ~~((of the partnership))~~ in this state ~~((and each resident partner personally engaged within this state in the practice of public accounting))~~ shall ~~((be a certified public accountant holding))~~ hold a license to practice under RCW 18.04.215;

(c) A simple majority of the ownership of the licensed firm in terms of financial interests and voting rights of all partners or owners shall be held by natural persons who are licensees or holders of a valid license issued under this chapter or by another state that entitles the holder to practice public accounting in this state. The principal partner of the partnership and any partner having authority over issuing reports on financial statements shall hold a license under this chapter or issued by another state that entitles the holder to practice public accounting in this state; and

(d) The licensed firm must meet competency requirements established by rule by the board.

(3) A corporation ~~((organized for the practice of public accounting and))~~ engaged in business in this state (~~(in the practice of public accounting))~~ and offering to issue or issuing reports on financial statements or using the title CPA or certified public accountant shall license as a firm every three years with the

board ~~((as a corporation of certified public accountants))~~ and shall meet the following requirements:

~~(a) ((The principal purpose and business of the corporation shall be to furnish services to the public which are consistent with this chapter and the rules of the board; and~~

~~—(b) Each shareholder of the corporation shall be a certified public accountant of some state holding a license to practice and shall be)) A simple majority of the ownership of the licensed firm in terms of financial interests and voting rights of all shareholders or owners shall be held by natural persons who are licensees or holders of a valid license issued under this chapter or by another state that entitles the holder to practice public accounting in this state and is principally employed by the corporation or actively engaged in its business. ((No other person may have any interest in the stock of the corporation:)) The principal officer of the corporation and any officer or director having authority over ((the practice of public accounting by the corporation)) issuing reports on financial statements shall ((be a certified public accountant of some state holding)) hold a license ((to practice)) under this chapter or issued by another state that entitles the holder to practice public accounting in this state;~~

~~((c)) (b) At least one shareholder of the corporation shall ((be a certified public accountant holding)) hold a license ((to practice)) under RCW 18.04.215;~~

~~((d)) (c) Each resident ((licensee)) person in charge of an office ((of the corporation)) located in this state ((and each shareholder or director personally engaged within this state in the practice of public accounting)) shall ((be a certified public accountant holding)) hold a license ((to practice)) under RCW 18.04.215;~~

~~((e)) (d) A written agreement shall bind the corporation or its shareholders to purchase any shares offered for sale by, or not under the ownership or effective control of, a qualified shareholder, and bind any holder not a qualified shareholder to sell the shares to the corporation or its qualified shareholders. The agreement shall be noted on each certificate of corporate stock. The corporation may purchase any amount of its stock for this purpose, notwithstanding any impairment of capital, as long as one share remains outstanding; ((and~~

~~—(f)) (e) The corporation shall comply with any other rules pertaining to corporations practicing public accounting in this state as the board may prescribe; and~~

~~(f) The licensed firm must meet competency requirements established by rule by the board.~~

~~(4) A limited liability company engaged in business in this state ((in the practice of public accounting)) and offering to issue or issuing reports on financial statements or using the title CPA or certified public accountant shall license as a firm every three years with the board ((as a limited liability company of certified public accountants)), and shall meet the following requirements:~~

(a) ~~((The principal purpose and business of the limited liability company shall be to furnish services to the public which are consistent with this chapter and the rules of the board;~~

~~—(b))~~ At least one ~~((manager))~~ member of the limited liability company shall ~~((be a certified public accountant holding))~~ hold a license ~~((to practice))~~ under RCW 18.04.215;

~~((c))~~ (b) Each resident manager or member in charge of an office ~~((of the limited liability company))~~ located in this state ~~((and each resident manager or member personally engaged within this state in the practice of public accounting))~~ shall ~~((be a certified public accountant holding))~~ hold a license ~~((to practice))~~ under RCW 18.04.215;

(c) A simple majority of the ownership of the licensed firm in terms of financial interests and voting rights of all owners shall be held by natural persons who are licensees or holders of a valid license issued under this chapter or by another state that entitles the holder to practice public accounting in this state. The principal member or manager of the limited liability company and any member having authority over issuing reports on financial statements shall hold a license under this chapter or issued by another state that entitles the holder to practice public accounting in this state; and

(d) The licensed firm must meet competency requirements established by rule by the board.

(5) Application for a license as a firm shall be made upon the affidavit of the proprietor or person designated as managing partner, member, or shareholder for Washington. This person shall ~~((be a certified public accountant holding))~~ hold a license ~~((to practice))~~ under RCW 18.04.215. The board shall determine in each case whether the applicant is eligible for a license. A partnership ~~((or)),~~ corporation, or limited liability company which is licensed to practice under RCW 18.04.215 may use the designation "certified public accountants" or "CPAs" in connection with its partnership, limited liability company, or corporate name. The board shall be given notification within ninety days after the admission or withdrawal of a partner ~~((or)),~~ shareholder, or member engaged in this state in the practice of public accounting from any partnership ~~((or)),~~ corporation, or limited liability company so licensed.

(6) Licensed firms which fall out of compliance with the provisions of this section due to changes in firm ownership or personnel, after receiving or renewing a license, shall notify the board in writing within thirty days of its falling out of compliance and propose a time period in which they will come back into compliance. The board may grant a reasonable period of time for a firm to be in compliance with the provisions of this section. Failure to bring the firm into compliance within a reasonable period of time, as determined by the board, may result in suspension, revocation, or imposition of conditions on the firm's license.

(7) Fees for the license as a firm and for notification of the board of the admission or withdrawal of a partner ~~((or)),~~ shareholder, or member shall be

determined by the board. Fees shall be paid by the firm at the time the license application form or notice of admission or withdrawal of a partner ((or)), shareholder, or member is filed with the board.

(8) Nonlicensee owners of licensed firms are:

(a) Required to fully comply with the provisions of this chapter and board rules:

(b) Required to be a natural person;

(c) Required to be an active individual participant in the licensed firm or affiliated entities as these terms are defined by board rule; and

(d) Subject to discipline by the board for violation of this chapter.

(9) Resident nonlicensee owners of licensed firms are required to meet:

(a) The ethics examination, registration, and fee requirements as established by the board rules; and

(b) The ethics CPE requirements established by the board rules.

Sec. 12. RCW 18.04.205 and 1999 c 378 s 6 are each amended to read as follows:

(1) Each office established or maintained in this state for the ~~((practice of public accounting))~~ purpose of offering to issue or issuing reports on financial statements in this state ~~((by a certified public accountant, or a partnership or corporation of certified public accountants))~~ or that uses the title "certified public accountant" or "CPA," shall register with the board under this chapter every three years.

(2) Each office shall be under the direct supervision of a resident licensee holding a license under RCW 18.04.215 ~~((who may be a sole proprietor, partner, principal shareholder, or a staff employee)).~~

(3) The board shall by rule prescribe the procedure to be followed to register and maintain offices established in this state for the ~~((practice of public accounting))~~ purpose of offering to issue or issuing reports on financial statements or that use the title "certified public accountant" or "CPA."

(4) Fees for the registration of offices shall be determined by the board. Fees shall be paid by the applicant at the time the registration form is filed with the board.

Sec. 13. RCW 18.04.215 and 1999 c 378 s 7 are each amended to read as follows:

(1) Three-year licenses shall be issued by the board:

(a) ~~To ((holders of certificates as certified public accountants who have demonstrated, in accordance with rules issued by the board, one year of public accounting experience, or such other experience or employment which the board in its discretion regards as substantially equivalent and who, if their certificate was issued more than forty-eight months prior to application under this section, submit to the board satisfactory proof of having completed an accumulation of one hundred twenty hours of continuing professional education during the thirty-six~~

~~months preceding the application;)) persons meeting the requirements of RCW 18.04.105(1), 18.04.180, or 18.04.183.~~

~~(b) To certificate holders meeting the requirements of RCW 18.04.105(4),~~

~~(c) To firms under RCW 18.04.195, ((if all offices of the firm in this state are maintained and registered as required under)) meeting the requirements of RCW 18.04.205.~~

(2) The board shall, by rule, provide for a system of certificate and license renewal ~~and reinstatement~~. Applicants for ~~((issuance or)) renewal ((of certificates or licenses)) or reinstatement~~ shall, at the time of filing their applications, list with the board all states and foreign jurisdictions in which they hold or have applied for certificates, permits or licenses to practice.

~~(3) An inactive certificate is renewed every three years with renewal subject to the requirements of ethics CPE and the payment of fees, prescribed by the board. Failure to renew the inactive certificate shall cause the inactive certificate to lapse and be subject to reinstatement. The board shall adopt rules providing for fees and procedures for renewal and reinstatement of inactive certificates.~~

~~(4) A license is issued every three years with renewal subject to requirements of CPE and payment of fees, prescribed by the board. Failure to renew the license shall cause the license to lapse and become subject to reinstatement. Persons holding a lapsed license are prohibited from using the title "CPA" or "certified public accountant." Persons holding a lapsed license are prohibited from practicing public accountancy. The board shall adopt rules providing for fees and procedures for issuance, renewal, and reinstatement of licenses.~~

~~(5) The board shall adopt rules providing for CPE for licensees and certificate holders. The rules shall:~~

~~(a) Provide that a licensee shall verify to the board that he or she has completed at least an accumulation of one hundred twenty hours of CPE during the last three-year period to maintain the license;~~

~~(b) Establish CPE requirements; and~~

~~(c) Establish when new licensees shall verify that they have completed the required CPE.~~

(6) A certified public accountant who holds a ~~((permit or))~~ license issued by another state, and applies for a license in this state, may practice in this state from the date of filing a completed application with the board, until the board has acted upon the application provided the application is made prior to holding out as a certified public accountant in this state and no sanctions or investigations, deemed by the board to be pertinent to public accountancy, by other jurisdictions or agencies are in process.

~~((4)) (7) A ((certified public accountant)) licensee shall submit to the board satisfactory proof of having completed an accumulation of one hundred twenty hours of ((continuing education)) CPE recognized and approved by the board during the preceding three years. Failure to furnish this evidence as required shall make the ((certificate invalid)) license lapse and subject to reinstatement~~

procedures, unless the board determines the failure to have been due to retirement(~~(:)~~) or reasonable cause(~~(, or excusable neglect)~~).

The board in its discretion may renew a certificate or license despite failure to furnish evidence of compliance with requirements of ~~((continuing professional education)) CPE~~ upon condition that the applicant follow a particular program of ~~((continuing professional education)) CPE~~. In issuing rules and individual orders with respect to ~~((continuing professional education)) CPE~~ requirements, the board, among other considerations, may rely upon guidelines and pronouncements of recognized educational and professional associations, may prescribe course content, duration, and organization, and may take into account the accessibility of ~~((continuing education)) CPE~~ to ~~((applicants)) licensees and certificate holders~~ and instances of individual hardship.

~~((5)) (8)~~ Fees for ~~((issuance or)) renewal or reinstatement~~ of certificates and licenses in this state shall be determined by the board under this chapter ~~((18.04 RCW))~~. Fees shall be paid by the applicant at the time the application form is filed with the board. The board, by rule, may provide for proration of fees for ~~((certificates and)) licenses or certificates~~ issued between normal renewal dates.

Sec. 14. RCW 18.04.295 and 2000 c 171 s 1 are each amended to read as follows:

The board ~~((of accountancy))~~ shall have the power to: Revoke, suspend, ((or)) refuse to renew ((a)), or reinstate a license or certificate ((or license, and may)); impose a fine in an amount not to exceed ((one)) ten thousand dollars plus the board's investigative and legal costs in bringing charges against a certified public accountant, ((or)) a certificate holder, a licensee, a licensed firm, or a nonlicensee holding an ownership interest in a licensed firm; may impose full restitution to injured parties; may impose conditions precedent to renewal of ((the)) a certificate or a license ((of any certified public accountant)); or may prohibit a nonlicensee from holding an ownership interest in a licensed firm, for any of the following causes:

(1) Fraud or deceit in obtaining a ~~((certificate as a certified public accountant, or in obtaining a)) license, or in any filings with the board;~~

(2) Dishonesty, fraud, or negligence while representing oneself as a ~~((CPA)) nonlicensee owner holding an ownership interest in a licensed firm, a licensee, or a certificate holder;~~

(3) A violation of any provision of this chapter;

(4) A violation of a rule of professional conduct promulgated by the board under the authority granted by this chapter;

(5) Conviction of a crime or an act constituting a crime under:

(a) The laws of this state;

(b) The laws of another state, and which, if committed within this state, would have constituted a crime under the laws of this state; or

(c) Federal law;

(6) Cancellation, revocation, suspension, or refusal to renew the authority to practice as a certified public accountant by any other state for any cause other than failure to pay a fee or to meet the requirements of ~~((continuing education))~~ CPE in the other state;

(7) Suspension or revocation of the right to practice matters relating to public accounting before any state or federal agency;

For purposes of subsections (6) and (7) of this section, a certified copy of such revocation, suspension, or refusal to renew shall be prima facie evidence;

(8) Failure to maintain compliance with the requirements for issuance, renewal, or reinstatement of ~~((the))~~ a certificate or license, or to report changes to the board;

(9) Failure to cooperate with the board by:

(a) Failure to furnish any papers or documents requested or ordered by the board;

(b) Failure to furnish in writing a full and complete explanation covering the matter contained in the complaint filed with the board or the inquiry of the board;

(c) Failure to respond to subpoenas issued by the board, whether or not the recipient of the subpoena is the accused in the proceeding;

(10) Failure by a nonlicensee owner of a licensed firm to comply with the requirements of this chapter or board rule; and

(11) Failure to comply with an order of the board.

Sec. 15. RCW 18.04.305 and 1992 c 103 s 12 are each amended to read as follows:

The board ~~((of accountancy))~~ may revoke, suspend, or refuse to renew the license issued to a firm if at any time the firm does not meet the requirements of this chapter for licensing, or for any of the causes enumerated in RCW 18.04.295, or for any of the following additional causes:

(1) The revocation or suspension of the ~~((certificate as a certified public accountant))~~ sole-practitioner's license or the revocation or suspension or refusal to renew the ~~((certificate or))~~ license of any partner, manager, member, or shareholder; ~~((or))~~

(2) The revocation, suspension, or refusal to renew the license ~~((or permit))~~ of the firm, or any partner, manager, member, or shareholder thereof, to practice public accounting in any other state or foreign jurisdiction for any cause other than failure to pay a fee or to meet the CPE requirements of ~~((continuing professional education in))~~ the other state or foreign jurisdiction;

(3) Failure by a nonlicensee owner of a licensed firm to comply with the requirements of this chapter or board rule; or

(4) Failure of the firm to comply with the requirements of this chapter or board rule.

Sec. 16. RCW 18.04.335 and 1997 c 58 s 812 are each amended to read as follows:

(1) Upon application in writing and after hearing pursuant to notice, the board may:

(a) Modify the suspension of, or reissue a certificate or a license to, an individual whose certificate or license has been revoked or suspended; or

(b) Modify the suspension of, or reissue a license to a firm whose license has been revoked, suspended, or which the board has refused to renew.

(2) In the case of suspension for failure to comply with a support order under chapter 74.20A RCW (~~or a residential or visitation order under chapter 26.09 RCW~~), if the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of a certificate or a license shall be automatic upon the board's receipt of a release issued by the department of social and health services stating that the individual is in compliance with the order.

Sec. 17. RCW 18.04.345 and 1999 c 378 s 8 are each amended to read as follows:

(1) No person may assume or use the designation "certified public accountant, ~~inactive~~" or "CPA-~~inactive~~" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the person is a certified public accountant ~~inactive~~ or CPA-~~inactive~~ unless the person holds a (~~valid~~) certificate (~~as a certified public accountant~~). Persons holding only a certificate may not practice public accounting.

(2) No person may hold himself or herself out to the public (~~and~~) ~~or~~ assume or use the designation "certified public accountant" or "CPA" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the person is a certified public accountant or CPA unless the person holds a (~~valid certificate as a certified public accountant and holds a valid~~) license (~~to practice~~) under RCW 18.04.215.

(3) No firm may hold itself out to the public as offering to issue or issuing reports on financial statements, or assume or use the designation "certified public accountant" or "CPA" or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the firm is composed of certified public accountants or CPAs, unless the firm is licensed under RCW 18.04.195(~~; holds a valid license to practice under RCW 18.04.215;~~) and all offices of the firm in this state (~~for the practice of public accounting~~) are maintained and registered under RCW 18.04.205.

(4) No person, partnership, limited liability company, or corporation offering accounting services to the public may hold himself, herself, or itself out to the public, or assume or use along, or in connection with his, hers, or its name, or any other name the title or designation "certified accountant," "chartered accountant," "licensed accountant," "licensed public accountant," "public accountant," or any other title or designation likely to be confused with "certified public accountant" or any of the abbreviations "CA," "LA," "LPA," or "PA," or similar abbreviations likely to be confused with "CPA." (~~However, nothing in this chapter prohibits use~~

of the title "accountant" by any person regardless of whether the person has been granted a certificate or holds a license under this chapter.)

(5) No licensed firm may operate under an alias, a firm name, title, or "DBA" that differs from the firm name that is registered with the board.

(6) No person may sign, affix, or associate his or her name or any trade or assumed name used by the person in his or her business to any report designated as an "audit," "review," or "compilation," unless the person holds a license to practice under RCW 18.04.215 and a firm license under RCW 18.04.195, and all of the person's offices in this state ((for the practice of public accounting are maintained and)) are licensed under RCW 18.04.205.

~~((6))~~ (7) No person may sign, affix, or associate a firm name to any report designated as an "audit," "review," or "compilation," unless the firm is licensed under RCW 18.04.195 and 18.04.215, and all of its offices in this state ((for the practice of public accounting)) are maintained and registered under RCW 18.04.205.

~~((7))~~ (8) No person, partnership, limited liability company, or corporation not holding a license to practice under RCW 18.04.215 may hold himself, herself, or itself out to the public as an "auditor" with or without any other description or designation by use of such word on any sign, card, letterhead, or in any advertisement or directory.

~~((8) No person may assume or use the designation "certified public accountant" or "CPA" in conjunction with names indicating or implying that there is a partnership or corporation, if there is in fact no bona fide partnership or corporation registered under RCW 18.04.195.~~

~~(9) No person, partnership, or corporation holding a license under RCW 18.04.215 may hold himself, herself, or itself out to the public in conjunction with the designation "and Associates" or "and Assoc." unless he or she has in fact a partner or employee who holds a license under RCW 18.04.215.))~~

Sec. 18. RCW 18.04.350 and 1992 c 103 s 15 are each amended to read as follows:

(1) Nothing in this chapter prohibits any person not ~~((a certified public accountant))~~ holding a license from serving as an employee of a firm licensed ~~((; or as assistant to, a certified public accountant or partnership composed of certified public accountants or corporation of certified public accountants holding a valid license))~~ under RCW 18.04.215. However, the employee or assistant shall not issue any accounting or financial statement over his or her name.

(2) ~~((Nothing in this chapter prohibits a certified public accountant registered in another state, or any accountant of a foreign country holding a certificate, degree or license which permits him to practice therein from temporarily practicing in this state on professional business incident to his regular practice))~~ (a) An individual, whose principal place of business is not in this state, who has a valid certificate or license as a certified public accountant from another state, and (i) whose state of licensure has education, examination, and experience requirements that are deemed

by the board to be substantially equivalent to this state's requirements or (ii) who, as an individual, has education, examination, and experience that are deemed by the board to be substantially equivalent to this state's requirement shall have all the privileges of license holders of this state without the need to obtain a license under RCW 18.04.105 or 18.04.195. However, such individuals shall notify the board, under such circumstances and in such manner as the board determines by rule, of their intent to enter the state under this section. The board shall have the authority to establish a fee for the practice privilege granted under this section by rule.

(b) An individual that enters the state under this section and is granted this practice privilege shall abide by this chapter and the rules adopted under this chapter and shall be subject to discipline for violation of this chapter. However, such individual is exempt from the continuing education requirements of this chapter provided the individual has met the continuing education requirements of the state in which the individual holds a valid certificate or license. The board may accept NASBA's designation of the individual's state as substantially equivalent to national standards, or NASBA's designation of the applicant as substantially equivalent to national standards, as meeting the requirement for a certified public accountant to be substantially equivalent to this state's requirements.

(c) Any certificate or license holder of another state exercising the privilege afforded under this section consents, as a condition of the grant of this privilege:

(i) To the personal and subject matter jurisdiction of the board;

(ii) To the appointment of the state board which issued the certificate or license as their agent upon whom process may be served in any action or proceeding by this state's board against the certificate holder or licensee.

(d) A licensee of this state offering or rendering services or using their certified public accountant title in another state shall be subject to disciplinary action in this state for an act committed in another state for which the certificate or permit holder would be subject to discipline for an act committed in the other state provided the board receives timely notification of the act. Notwithstanding RCW 18.04.295, the board may investigate any complaint made by the board of accountancy of another state.

(3) Nothing in this chapter prohibits a (~~certified public accountant, a partnership, or corporation of certified public accountants~~) licensee, a licensed firm, or any of their employees from disclosing any data in confidence to other certified public accountants, quality assurance or peer review teams, partnerships, limited liability companies, or corporations of public accountants or to the board or any of its employees engaged in conducting (~~quality~~) quality assurance(~~;~~) or peer reviews, or any one of their employees in connection with quality or peer reviews of that accountant's accounting and auditing practice conducted under the auspices of recognized professional associations.

(4) Nothing in this chapter prohibits a (~~certified public accountant, a partnership, or corporation of certified public accountants~~) licensee, a licensed firm, or any of their employees from disclosing any data in confidence to any

employee, representative, officer, or committee member of a recognized professional association, or to the board (~~(of accountancy)~~), or any of its employees or committees in connection with a professional investigation held under the auspices of recognized professional associations or the board (~~(of accountancy)~~).

(5) Nothing in this chapter prohibits any officer, employee, partner, or principal of any organization:

(a) From affixing his or her signature to any statement or report in reference to the affairs of the organization with any wording designating the position, title, or office which he or she holds in the organization; or

(b) From describing himself or herself by the position, title, or office he or she holds in such organization.

(6) Nothing in this chapter prohibits any person(~~(;)~~) or (~~(partnership or corporation)~~) firm composed of persons not holding a license under RCW 18.04.215 from offering or rendering to the public bookkeeping, accounting, tax services, the devising and installing of financial information systems, management advisory, or consulting services, the preparation of tax returns, or the furnishing of advice on tax matters, the preparation of financial statements, written statements describing how such financial statements were prepared, or similar services, provided that persons, partnerships, limited liability companies, or corporations not holding a license under RCW 18.04.215 who offer or render these services do not designate any written statement as an "audit report," "review report," or "compilation report," do not issue any written statement which purports to express or disclaim an opinion on financial statements which have been audited, and do not issue any written statement which expresses assurance on financial statements which have been reviewed.

(7) Nothing in this chapter prohibits any act of or the use of any words by a public official or a public employee in the performance of his or her duties.

(8) Nothing contained in this chapter prohibits any person who holds only a valid (~~(certified public accountant)~~) certificate from assuming or using the designation "certified public accountant-inactive" or "CPA-inactive" or any other title, designation, words, letters, sign, card, or device tending to indicate the person is a (~~(certified public accountant)~~) certificate holder, provided, that such person (~~(shall)~~) does not (hold himself or herself out to the public as engaged in the practice of public accounting unless that person holds a valid license in addition to the certificate under RCW 18.04.215) perform or offer to perform for the public one or more kinds of services involving the use of accounting or auditing skills, including issuance of reports on financial statements or of one or more kinds of management advisory, financial advisory, consulting services, the preparation of tax returns, or the furnishing of advice on tax matters.

(9) Nothing in this chapter prohibits the use of the title "accountant" by any person regardless of whether the person has been granted a certificate or holds a license under this chapter. Nothing in this chapter prohibits the use of the title "enrolled agent" or the designation "EA" by any person regardless of whether the

person has been granted a certificate or holds a license under this chapter if the person is properly authorized at the time of use to use the title or designation by the United States department of the treasury. The board shall by rule allow the use of other titles by any person regardless of whether the person has been granted a certificate or holds a license under this chapter if the person using the titles or designations is authorized at the time of use by a nationally recognized entity sanctioning the use of board authorized titles.

Sec. 19. RCW 18.04.370 and 1983 c 234 s 19 are each amended to read as follows:

(1) Any person who violates any provision of this chapter, shall be guilty of a crime, as follows:

(a) Any person who violates any provision of this chapter is guilty of a misdemeanor, and upon conviction thereof, shall be subject to a fine of not more than ((one)) ten thousand dollars, or to imprisonment for not more than six months, or to both such fine and imprisonment.

(b) Notwithstanding (a) of this subsection, any person who uses a professional title intended to deceive the public, in violation of RCW 18.04.345, having previously entered into a stipulated agreement and order of assurance with the board, is guilty of a felony, and upon conviction thereof, is subject to a fine of not more than ten thousand dollars, or to imprisonment for not more than two years, or to both such fine and imprisonment.

(2) With the exception of first time violations of RCW 18.04.345, subject to subsection (3) of this section whenever the board has reason to believe that any person is violating the provisions of this chapter it shall certify the facts to the prosecuting attorney of the county in which such person resides or may be apprehended and the prosecuting attorney shall cause appropriate proceedings to be brought against such person.

(3) The board may elect to enter into a stipulated agreement and orders of assurance with persons in violation of RCW 18.04.345 who have not previously been found to have violated the provisions of this chapter. The board may order full restitution to injured parties as a condition of a stipulated agreement and order of assurance.

(4) Nothing herein contained shall be held to in any way affect the power of the courts to grant injunctive or other relief as above provided.

Sec. 20. RCW 18.04.380 and 1986 c 295 s 17 are each amended to read as follows:

(1) The display or presentation by a person of a card, sign, advertisement, or other printed, engraved, or written instrument or device, bearing a person's name in conjunction with the words "certified public accountant" or any abbreviation thereof ~~((; or "licensed public accountant" or any abbreviation thereof, or "public accountant" or any abbreviation thereof;))~~ shall be prima facie evidence in any action brought under this chapter that the person whose name is so displayed, caused or procured the display or presentation of the card, sign, advertisement, or

other printed, engraved, or written instrument or device, and that the person is holding himself or herself out to be a licensee, a certified public accountant, or a ~~((public accountant holding a license to practice))~~ person holding a certificate under this chapter.

(2) The display or presentation by a person of a card, sign, advertisement, or other printed, engraved, or written instrument or device, bearing a person's name in conjunction with the words certified public accountant-inactive or any abbreviation thereof is prima facie evidence in any action brought under this chapter that the person whose name is so displayed caused or procured the display or presentation of the card, sign, advertisement, or other printed, engraved, or written instrument or device, and that the person is holding himself or herself out to be a certified public accountant-inactive under this chapter.

(3) In any ~~((such))~~ action under subsection (1) or (2) of this section, evidence of the commission of a single act prohibited by this chapter is sufficient to justify an injunction or a conviction without evidence of a general course of conduct.

Sec. 21. RCW 18.04.390 and 1992 c 103 s 16 are each amended to read as follows:

(1) In the absence of an express agreement between the ~~((certified public accountant))~~ licensee or licensed firm and the client to the contrary, all statements, records, schedules, working papers, and memoranda made by a ~~((certified public accountant))~~ licensee or licensed firm incident to or in the course of professional service to clients, except reports submitted by a ~~((certified public accountant to a client))~~ licensee or licensed firm, are the property of the ~~((certified public accountant))~~ licensee or licensed firm.

(2) No statement, record, schedule, working paper, or memorandum may be sold, transferred, or bequeathed without the consent of the client or his or her personal representative or assignee, to anyone other than one or more surviving partners, shareholders, or new partners or new shareholders of the ~~((accountant))~~ licensee, partnership, limited liability company, or corporation, or any combined or merged partnership, limited liability company, or corporation, or successor in interest.

(3) A licensee shall furnish to the board or to his or her client or former client, upon request and reasonable notice:

(a) A copy of the licensee's working papers or electronic documents, to the extent that such working papers or electronic documents include records that would ordinarily constitute part of the client's records and are not otherwise available to the client; and

(b) Any accounting or other records belonging to, or obtained from or on behalf of, the client that the licensee removed from the client's premises or received for the client's account; the licensee may make and retain copies of such documents of the client when they form the basis for work done by him or her.

(4) Nothing in this section shall require a licensee to keep any work paper or electronic document beyond the period prescribed in any other applicable statute.

(5) Nothing in this section should be construed as prohibiting any temporary transfer of workpapers or other material necessary in the course of carrying out peer reviews or as otherwise interfering with the disclosure of information pursuant to RCW 18.04.405.

Sec. 22. RCW 18.04.405 and 1992 c 103 s 17 are each amended to read as follows:

(1) A ~~((certified public accountant, a partnership or corporation of certified public accountants))~~ licensee, certificate holder, or licensed firm, or any of their employees shall not disclose any confidential information obtained in the course of a professional transaction except with the consent of the client or former client or as disclosure may be required by law, legal process, the standards of the profession, or as disclosure of confidential information is permitted by RCW 18.04.350 (3) and (4), 18.04.295(8), 18.04.390, and this section in connection with ~~((quality))~~ quality assurance, or peer reviews, investigations, and any proceeding under chapter 34.05 RCW.

(2) This section shall not be construed as limiting the authority of this state or of the United States or an agency of this state, the board, or of the United States to subpoena and use such confidential information obtained by a licensee, or any of their employees in the course of a professional transaction in connection with any investigation, public hearing, or other proceeding, nor shall this section be construed as prohibiting a licensee or certified public accountant whose professional competence has been challenged in a court of law or before an administrative agency from disclosing confidential information as a part of a defense to the court action or administrative proceeding.

(3) The proceedings, records, and work papers of a review committee shall be privileged and shall not be subject to discovery, subpoena, or other means of legal process or introduction into evidence in any civil action, arbitration, administrative proceeding, or ~~((state accountancy))~~ board proceeding and no member of the review committee or person who was involved in the ~~((quality))~~ peer review process shall be permitted or required to testify in any such civil action, arbitration, administrative proceeding, or ~~((state accountancy))~~ board proceeding as to any matter produced, presented, disclosed, or discussed during or in connection with the ~~((quality))~~ peer review process, or as to any findings, recommendations, evaluations, opinions, or other actions of such committees, or any members thereof. Information, documents, or records that are publicly available are not to be construed as immune from discovery or use in any civil action, arbitration, administrative proceeding, or ~~((state accountancy))~~ board proceeding merely because they were presented or considered in connection with the quality assurance or peer review process.

NEW SECTION. Sec. 23. (1) By December 1, 2002, the board of accountancy shall report to the senate committee on labor, commerce, and financial institutions and the house committee on commerce and labor, or successor

committees, on the implementation of this act, including but not limited to the provisions governing nonlicensee owners of CPA firms and the fiscal impacts.

(2) This section does not affect the board's authority to proceed with implementation of this act.

(3) This section expires January 1, 2003.

NEW SECTION. Sec. 24. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the Senate April 17, 2001.

Passed the House April 5, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 295

[Senate Bill 5604]

LIQUOR CONTROL BOARD—CONTROLLED PURCHASE PROGRAM

AN ACT Relating to allowing the liquor control board to authorize controlled purchase programs; and amending RCW 66.44.290.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 66.44.290 and 1965 c 49 s 1 are each amended to read as follows:

(1) Every person under the age of twenty-one years who purchases or attempts to purchase liquor shall be guilty of a violation of this title. This section does not apply to persons between the ages of eighteen and twenty-one years who are participating in a controlled purchase program authorized by the liquor control board under rules adopted by the board. Violations occurring under a private, controlled purchase program authorized by the liquor control board may not be used for criminal or administrative prosecution.

(2) An employer who conducts an in-house controlled purchase program authorized under this section shall provide his or her employees a written description of the employer's in-house controlled purchase program. The written description must include notice of actions an employer may take as a consequence of an employee's failure to comply with company policies regarding the sale of alcohol during an in-house controlled purchase.

(3) An in-house controlled purchase program authorized under this section shall be for the purposes of employee training and employer self-compliance checks. An employer may not terminate an employee solely for a first-time failure to comply with company policies regarding the sale of alcohol during an in-house controlled purchase program authorized under this section.

Passed the Senate April 17, 2001.
Passed the House April 12, 2001.
Approved by the Governor May 14, 2001.
Filed in Office of Secretary of State May 14, 2001.

CHAPTER 296

[Engrossed Substitute Senate Bill 5606]
BACKGROUND CHECK REQUIREMENTS

AN ACT Relating to making the background check requirements for employees consistent with background check requirements for service providers, agencies, and entities serving vulnerable adults and children; amending RCW 28A.400.303, 28A.400.305, and 43.20A.710; adding a new section to chapter 9.96A RCW; adding new sections to chapter 41.06 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. It is the intent of the legislature to authorize the department of social and health services to investigate the background of current and future department employees to the same extent and with the same effect as it has authorized the state to investigate the background and exclude from the provision of service current and future care providers, contractors, volunteers, and others. The department of social and health services must coordinate with the department of personnel to develop rules that address the procedures for undertaking background checks, and specifically what action would be taken against a current employee who is disqualified from his or her current position because of a background check not previously performed.

NEW SECTION. Sec. 2. A new section is added to chapter 9.96A RCW to read as follows:

This chapter is not applicable to the department of social and health services when employing a person, who in the course of his or her employment, has or may have unsupervised access to any person who is under the age of eighteen, who is under the age of twenty-one and has been sentenced to a term of confinement under the supervision of the department of social and health services under chapter 13.40 RCW, who is a vulnerable adult under chapter 74.34 RCW, or who is a vulnerable person. For purposes of this section "vulnerable person" means an adult of any age who lacks the functional, mental, or physical ability to care for himself or herself.

Sec. 3. RCW 28A.400.303 and 1992 c 159 s 2 are each amended to read as follows:

School districts, educational service districts, the state school for the deaf, the state school for the blind, and their contractors hiring employees who will have regularly scheduled unsupervised access to children shall require a record check through the Washington state patrol criminal identification system under RCW 43.43.830 through 43.43.834, 10.97.030, and 10.97.050 and through the federal bureau of investigation before hiring an employee. The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. The requesting entity shall provide a copy of the record report to

the applicant. When necessary, applicants may be employed on a conditional basis pending completion of the investigation. If the applicant has had a record check within the previous two years, the district, ~~the state school for the deaf, the state school for the blind,~~ or contractor may waive the requirement. The district, pursuant to chapter 41.59 or 41.56 RCW, ~~the state school for the deaf, the state school for the blind,~~ or contractor hiring the employee shall determine who shall pay costs associated with the record check.

Sec. 4. RCW 28A.400.305 and 1996 c i26 s 5 are each amended to read as follows:

The superintendent of public instruction shall adopt rules as necessary under chapter 34.05 RCW on record check information. The rules shall include, but not be limited to the following:

(1) Written procedures providing a school district, ~~state school for the deaf, or state school for the blind~~ employee or applicant for certification or employment access to and review of information obtained based on the record check required under RCW 28A.400.303 ~~((and 28A.400.304))~~; and

(2) Written procedures limiting access to the superintendent of public instruction record check data base to only those individuals processing record check information at the office of the superintendent of public instruction, the appropriate school district or districts, ~~the state school for the deaf, the state school for the blind,~~ and the appropriate educational service district or districts.

Sec. 5. RCW 43.20A.710 and 2000 c 87 s 2 are each amended to read as follows:

(1) The secretary shall investigate the conviction records, pending charges ~~((or))~~ and disciplinary board final decisions of:

(a) ~~((Persons being considered for state employment in positions directly responsible for the supervision, care, or treatment of))~~ Any current employee or applicant seeking or being considered for any position with the department who will or may have unsupervised access to children, vulnerable adults, or individuals with mental illness or developmental disabilities~~((;~~

~~—(b) Persons being considered for state employment in positions involving unsupervised access to vulnerable adults to conduct))~~ This includes, but is not limited to, positions conducting comprehensive assessments, financial eligibility determinations, licensing and certification activities, investigations, surveys, or case management; or for state positions otherwise required by federal law to meet employment standards;

~~((c))~~ (b) Individual providers who are paid by the state and providers who are paid by home care agencies to provide in-home services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW; and

~~((d))~~ (c) Individuals or businesses or organizations for the care, supervision, case management, or treatment of children, developmentally disabled persons, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, 18.48, 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW.

(2) The investigation may include an examination of state and national criminal identification data. The secretary shall use the information solely for the purpose of determining the character, suitability, and competence of these applicants.

(3) An individual provider or home care agency provider who has resided in the state less than three years before applying for employment involving unsupervised access to a vulnerable adult as defined in chapter 74.34 RCW must be fingerprinted for the purpose of investigating conviction records both through the Washington state patrol and the federal bureau of investigation. This subsection applies only with respect to the provision of in-home services funded by medicaid personal care under RCW 74.09.520, community options program entry system waiver services under RCW 74.39A.030, or chore services under RCW 74.39A.110. However, this subsection does not supersede RCW 74.15.030(2)(b).

(4) An individual provider or home care agency provider hired to provide in-home care for and having unsupervised access to a vulnerable adult as defined in chapter 74.34 RCW must have no conviction for a disqualifying crime under RCW 43.43.830 and 43.43.842. An individual or home care agency provider must also have no conviction for a crime relating to drugs as defined in RCW 43.43.830. This subsection applies only with respect to the provision of in-home services funded by medicaid personal care under RCW 74.09.520, community options program entry system waiver services under RCW 74.39A.030, or chore services under RCW 74.39A.110.

(5) The secretary shall provide the results of the background check on individual providers to the persons hiring them or to their legal guardians, if any, for their determination of the character, suitability, and competence of the applicants. If the person elects to hire or retain an individual provider after receiving notice from the department that the applicant has a conviction for an offense that would disqualify the applicant from having unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, then the secretary shall deny payment for any subsequent services rendered by the disqualified individual provider.

(6) Criminal justice agencies shall provide the secretary such information as they may have and that the secretary may require for such purpose.

NEW SECTION. Sec. 6. A new section is added to chapter 41.06 RCW to read as follows:

(1) The board shall amend any existing rules established under RCW 41.06.475 and adopt rules developed in cooperation and agreement with the department of social and health services to implement the provisions of this act.

(2) The legislature's delegation of authority to the agency under this act is strictly limited to:

(a) The minimum delegation necessary to administer the act's clear and unambiguous directives; and

(b) The administration of circumstances and behaviors foreseeable at the time of enactment.

NEW SECTION. Sec. 7. A new section is added to chapter 41.06 RCW to read as follows:

The personnel resources board must develop policy recommendations addressing the action that will be taken if a background check result disqualifies an employee from his or her current position. A report of the recommendations developed must be delivered to the legislature by December 1, 2001.

Passed the Senate April 20, 2001.

Passed the House April 20, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 297

[Substitute Senate Bill 5621]

ANIMAL MASSAGE

AN ACT Relating to animal therapy; amending RCW 18.108.010; adding a new section to chapter 18.108 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that massage therapists have contributed significantly to the welfare of humans. The legislature also finds that massage therapists can have a significant positive impact on the well-being of animals, especially in the equine industry.

It is the legislature's intent to have the Washington state board of massage adopt rules under their current authority providing for an endorsement for currently licensed massage practitioners to perform animal massage upon completion of certain training courses.

Sec. 2. RCW 18.108.010 and 1997 c 297 s 2 are each amended to read as follows:

In this chapter, unless the context otherwise requires, the following meanings shall apply:

(1) "Board" means the Washington state board of massage.

(2) "Massage" and "massage therapy" mean a health care service involving the external manipulation or pressure of soft tissue for therapeutic purposes. Massage therapy includes techniques such as tapping, compressions, friction, Swedish

gymnastics or movements, gliding, kneading, shaking, and facial or connective tissue stretching, with or without the aids of superficial heat, cold, water, lubricants, or salts. Massage therapy does not include diagnosis or attempts to adjust or manipulate any articulations of the body or spine or mobilization of these articulations by the use of a thrusting force, nor does it include genital manipulation.

(3) "Massage practitioner" means an individual licensed under this chapter.

(4) "Secretary" means the secretary of health or the secretary's designee.

(5) "Massage business" means the operation of a business where massages are given.

(6) "Animal massage practitioner" means an individual with a license to practice massage therapy in this state with additional training in animal therapy.

NEW SECTION. Sec. 3. A new section is added to chapter 18.108 RCW to read as follows:

(1) A massage practitioner licensed under this chapter may apply for an endorsement as a small or large animal massage practitioner upon completion of one hundred hours of training in either large or small animal massage. Training must include animal massage techniques, kinesiology, anatomy, physiology, first aid care, and proper handling techniques.

(2) An applicant who applies for an endorsement within the first year following the effective date of this act may submit documentation of a minimum of fifty hours of training with up to fifty hours of practical experience or continuing education, or a combination thereof, to fulfill the requirements of this section.

(3) Massage therapy of animals does not include diagnosis, prognosis, or all treatment of diseases, deformities, defects, wounds, or injuries of animals. For the purposes of this section, massage for therapeutic purposes may be performed solely for purposes of patient well-being.

(4) A person licensed and endorsed under this section may hold themselves out as an animal massage practitioner.

(5) The board may adopt rules to implement this section upon consultation with the Washington state veterinary board of governors and licensed massage practitioners with training in animal massage.

Passed the Senate April 17, 2001.

Passed the House April 10, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 298

[Substitute Senate Bill 5637]

WATERSHED HEALTH MONITORING AND ASSESSMENT

AN ACT Relating to watershed health monitoring and assessments; adding a new section to chapter 90.82 RCW; adding a new section to chapter 77.85 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that a comprehensive program of monitoring is fundamental to making sound public policy and programmatic decisions regarding salmon recovery and watershed health. Monitoring provides accountability for results of management actions and provides the data upon which an adaptive management framework can lead to improvement of strategies and programs. Monitoring is also a required element of any salmon recovery plan submitted to the federal government for approval. While numerous agencies and citizen organizations are engaged in monitoring a wide range of salmon recovery and watershed health parameters, there is a greater need for coordination of monitoring efforts, for using limited monitoring resources to obtain information most useful for achieving relevant local, state, and federal requirements regarding watershed health and salmon recovery, and for making the information more accessible to those agencies and organizations implementing watershed health programs and projects. Regarding salmon recovery monitoring, the state independent science panel has concluded that many programs already monitor indicators relevant to salmonids, but the efforts are largely uncoordinated or unlinked among programs, have different objectives, use different indicators, lack support for sharing data, and lack shared statistical designs to address specific issues raised by listing of salmonid species under the federal endangered species act.

Therefore, it is the intent of the legislature to encourage the refocusing of existing agency monitoring activities necessary to implement a comprehensive watershed health monitoring program, with a focus on salmon recovery. The program should: Be based on a framework of greater coordination of existing monitoring activities; require monitoring activities most relevant to adopted local, state, and federal watershed health objectives; and facilitate the exchange of monitoring information with agencies and organizations carrying out watershed health, salmon recovery, and water resources management planning and programs.

NEW SECTION. Sec. 2. A new section is added to chapter 90.82 RCW to read as follows:

In conducting assessments and other studies that include monitoring components or recommendations, the department and planning units shall implement the monitoring recommendations developed under section 3 of this act.

NEW SECTION. Sec. 3. A new section is added to chapter 77.85 RCW to read as follows:

(1) The monitoring oversight committee is hereby established. The committee shall be comprised of the directors or their designated representatives of:

- (a) The salmon recovery office;
- (b) The department of ecology;
- (c) The department of fish and wildlife;
- (d) The conservation commission;

- (e) The Puget Sound action team;
- (f) The department of natural resources;
- (g) The department of transportation; and
- (h) The interagency committee for outdoor recreation.

(2) The director of the salmon recovery office and the chair of the salmon recovery funding board, or their designees, shall cochair the committee. The cochairs shall convene the committee as necessary to develop, for the consideration of the governor and legislature, a comprehensive and coordinated monitoring strategy and action plan on watershed health with a focus on salmon recovery. The committee shall invite representation from the treaty tribes to participate in the committee's efforts. In addition, the committee shall invite participation by other state, local, and federal agencies and other entities as appropriate. The committee shall address the monitoring recommendations of the independent science panel provided under RCW 77.85.040(7) and of the joint legislative audit and review committee in its report number 01-1 on investing in the environment.

(3) The independent science panel shall act as an advisor to the monitoring oversight committee and shall review all work products developed by the committee and make recommendations to the committee cochairs.

(4) A legislative steering committee is created consisting of four legislators. Two of the legislators shall be members of the house of representatives, each representing different major political parties, appointed by the co-speakers of the house of representatives. The other two legislators shall be members of the senate, each representing different major political parties, appointed by the president of the senate. The monitoring oversight committee shall provide briefings to the legislative steering committee on a quarterly basis on the progress that the oversight committee is making on the development of the coordinated monitoring strategy and action plan, and the establishment of an adaptive management framework. The briefings shall include information on how the monitoring strategy will be coordinated with other government efforts, expected benefits and efficiencies that will be achieved, recommended funding sources and funding levels that will ensure stable sources of funding for monitoring, and the efforts and cooperation provided by agencies to improve coordination of their activities.

(5) The committee shall make recommendations to individual agencies to improve coordination of monitoring activities.

(6) The committee shall:

(a) Define the monitoring goals, objectives, and questions that must be addressed as part of a comprehensive statewide salmon recovery monitoring and adaptive management framework;

(b) Identify and evaluate existing monitoring activities for inclusion in the framework, while ensuring data consistency and coordination and the filling of monitoring gaps;

(c) Recommend statistical designs appropriate to the objectives;

- (d) Recommend performance measures appropriate to the objectives and targeted to the appropriate geographical, temporal, and biological scales;
- (e) Recommend standardized monitoring protocols for salmon recovery and watershed health;
- (f) Recommend procedures to ensure quality assurance and quality control of all relevant data;
- (g) Recommend data transfer protocols to support easy access, sharing, and coordination among different collectors and users;
- (h) Recommend ways to integrate monitoring information into decision making;
- (i) Recommend organizational and governance structures for oversight and implementation of the coordinated monitoring framework;
- (j) Recommend stable sources of funding that will ensure the continued operation and maintenance of the state's salmon recovery and watershed health monitoring programs, once established; and
- (k) Identify administrative actions that will be undertaken by state agencies to implement elements of the coordinated monitoring program.

(7) In developing the coordinated monitoring strategy, the committee shall coordinate with other appropriate state, federal, local, and tribal monitoring efforts, including but not limited to the Northwest power planning council, the Northwest Indian fisheries commission, the national marine fisheries service, and the United States fish and wildlife service. The committee shall also consult with watershed planning units under chapter 90.82 RCW, lead entities under this chapter, professional organizations, and other appropriate groups.

(8) The cochairs shall provide an interim report to the governor and the members of the appropriate legislative committees by March 1, 2002, on the progress made in implementing this section. By December 1, 2002, the committee shall provide a monitoring strategy and action plan to the governor, and the members of the appropriate legislative committees for achieving a comprehensive watershed health monitoring program with a focus on salmon recovery. The strategy and action plan shall document the results of the committee's actions in addressing the responsibilities described in subsection (6) of this section. In addition, the monitoring strategy and action plan shall include an assessment of existing state agency operations related to monitoring, evaluation, and adaptive management of watershed health and salmon recovery, and shall recommend any operational or statutory changes and funding necessary to fully implement the enhanced coordination program developed under this section. The plan shall make recommendations based upon the goal of fully realizing an enhanced and coordinated monitoring program by June 30, 2007.

NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2001, in the omnibus appropriations act, this act is null and void.

Passed the Senate April 19, 2001.
Passed the House April 18, 2001.
Approved by the Governor May 14, 2001.
Filed in Office of Secretary of State May 14, 2001.

CHAPTER 299

[Substitute Senate Bill 5638]

COUNTY TREASURERS

AN ACT Relating to county treasurer technical corrections; and amending RCW 35.02.140, 35.13.270, 35A.14.801, 36.29.010, 36.29.050, 36.29.090, 36.29.100, 36.29.160, 36.29.170, 36.35.120, 36.35.150, 36.96.040, 36.96.070, 39.44.200, 39.46.020, 39.50.010, 39.50.030, 84.38.140, 84.56.250, 85.38.220, and 85.38.225.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 35.02.140 and 1986 c 234 s 20 are each amended to read as follows:

Whenever in any territory forming a part of an incorporated city or town which is part of a road district, and road district regular property taxes are collectable on any property within such territory, the same shall, when collected by the county treasurer, be paid to such city or town and placed in the city or town street fund by the city or town(~~(- PROVIDED, That))~~; except that road district taxes that are delinquent before the date of incorporation shall be paid to the county and placed in the county road fund. This section shall not apply to excess property tax levies securing general indebtedness or any special assessments due in behalf of such property.

Sec. 2. RCW 35.13.270 and 1998 c 106 s 1 are each amended to read as follows:

Whenever any territory is annexed to a city or town which is part of a road district of the county and road district taxes have been levied but not collected on any property within the annexed territory, the same shall when collected by the county treasurer be paid to the city or town and by the city or town placed in the city or town street fund(~~(- PROVIDED, That))~~; except that road district taxes that are delinquent before the date of annexation shall be paid to the county and placed in the county road fund. This section shall not apply to any special assessments due in behalf of such property. The city or town is required to provide notification, by certified mail, that includes a list of annexed parcel numbers, to the county treasurer and assessor at least thirty days before the effective date of the annexation. The county treasurer is only required to remit to the city or town those road taxes collected thirty days or more after receipt of the notification.

Sec. 3. RCW 35A.14.801 and 1998 c 106 s 2 are each amended to read as follows:

Whenever any territory is annexed to a code city which is part of a road district of the county and road district taxes have been levied but not collected on any property within the annexed territory, the same shall when collected by the

county treasurer be paid to the code city and by the city placed in the city street fund(~~(- PROVIDED, That)~~); except that road district taxes that are delinquent before the date of annexation shall be paid to the county and placed in the county road fund. This section shall not apply to any special assessments due in behalf of such property. The code city is required to provide notification, by certified mail, that includes a list of annexed parcel numbers, to the county treasurer and assessor at least thirty days before the effective date of the annexation. The county treasurer is only required to remit to the code city those road taxes collected thirty or more days after receipt of the notification.

Sec. 4. RCW 36.29.010 and 1998 c 106 s 3 are each amended to read as follows:

The county treasurer:

(1) Shall receive all money due the county and disburse it on warrants issued and attested by the county auditor and electronic funds transfer under RCW 39.58.750 as attested by the county auditor;

(2) Shall issue a receipt in duplicate for all money received other than taxes; the treasurer shall deliver immediately to the person making the payment the original receipt and the duplicate shall be retained by the treasurer;

(3) Shall affix on the face of all paid warrants the date of redemption or, in the case of proper contract between the treasurer and a qualified public depository, the treasurer may consider the date affixed by the financial institution as the date of redemption;

(4) Shall (~~indorse~~) endorse, before the date of issue by the county or by any taxing district for whom the county treasurer acts as treasurer, on the face of all warrants for which there are not sufficient funds for payment, "interest bearing warrant." When there are funds to redeem outstanding warrants, the county treasurer shall give notice:

(a) By publication in a legal newspaper published or circulated in the county; or

(b) By posting at three public places in the county if there is no such newspaper; or

(c) By notification to the financial institution holding the warrant;

(5) Shall pay interest on all interest-bearing warrants from the date of issue to the date of notification;

(6) Shall maintain financial records reflecting receipts and disbursement by fund in accordance with generally accepted accounting principles;

(7) Shall account for and pay all bonded indebtedness for the county and all special districts for which the county treasurer acts as treasurer;

(8) Shall invest all funds of the county or any special district in the treasurer's custody, not needed for immediate expenditure, in a manner consistent with appropriate statutes. If cash is needed to redeem warrants issued from any fund in the custody of the treasurer, the treasurer shall liquidate investments in an amount sufficient to cover such warrant redemptions; and

(9) May provide certain collection services for county departments.

The treasurer, at the expiration of the term of office, shall make a complete settlement with the county legislative authority, and shall deliver to the successor all public money, books, and papers in the treasurer's possession.

Sec. 5. RCW 36.29.050 and 1969 ex.s. c 48 s 1 are each amended to read as follows:

When the county treasurer redeems any warrant on which interest is due, ~~((he))~~ the treasurer shall enter on ~~((his))~~ the warrant register account the amount of interest paid, distinct from the principal.

Sec. 6. RCW 36.29.090 and 1963 c 4 s 36.29.090 are each amended to read as follows:

Whenever an action based upon official misconduct is commenced against any county treasurer the county commissioners may suspend ~~((him))~~ the treasurer from office until such suit is determined, and may appoint some person to fill the vacancy.

Sec. 7. RCW 36.29.100 and 1963 c 4 s 36.29.100 are each amended to read as follows:

The county treasurer of each county in which there is a city of the first class is ex officio collector of city taxes of such city, and before entering upon the duties of ~~((his))~~ office ~~((he))~~ the treasurer shall execute in favor of the city and file with the clerk thereof a good and sufficient bond, the penal sum to be fixed by the city council, such bond to be approved by the mayor of such city or other authority thereof by whom the bond of the city treasurer is required to be approved. All special assessments and special taxation for local improvements assessed on property benefited shall be collected by the city treasurer.

Sec. 8. RCW 36.29.160 and 1998 c 106 s 4 are each amended to read as follows:

The county treasurer shall make segregation, collect, and receive from any owner or owners of any subdivision or portion of any lot, tract or parcel of land upon which assessments or charges have been made or may be made by public utility districts, water-sewer districts, or the county, under the terms of Title 54 RCW, Title 57 RCW, or chapter 36.88, 36.89, or 36.94 RCW, such portion of the assessments or charges levied or to be levied against such lot, tract or parcel of land in payment of such assessment or charges as the board of commissioners of the public utility district, the water-sewer district commissioners or the board of county commissioners, respectively, shall certify to be chargeable to such subdivision, which certificate shall state that such property as segregated is sufficient security for the assessment or charges. Upon making collection upon any such subdivision the county treasurer shall note such payment upon ~~((his))~~ the records of the office of the treasurer and give receipt therefor. When a segregation is required, a certified copy of the resolution shall be delivered to the treasurer of the county in which the real property is located who shall proceed to make the segregation

ordered upon being tendered a fee of three dollars for each tract of land for which a segregation is to be made.

Sec. 9. RCW 36.29.170 and 1963 c 4 s 36.29.170 are each amended to read as follows:

The county treasurer shall keep ~~((his))~~ the office of the treasurer at the ~~((seat of justice of his))~~ county seat, and shall keep the same open for transaction of business during business hours; and ~~((he and his))~~ the treasurer and the treasurer's deputy are authorized to administer all oaths necessary in the discharge of the duties of ~~((his))~~ the office.

Sec. 10. RCW 36.35.120 and 1993 c 310 s 1 are each amended to read as follows:

Real property acquired by any county of this state by foreclosure of delinquent taxes may be sold by order of the county legislative authority of the county when in the judgment of the county legislative authority it is deemed in the best interests of the county to sell the real property.

When the legislative authority desires to sell any such property it may, if deemed advantageous to the county, combine any or all of the several lots and tracts of such property in one or more units, and may reserve from sale coal, oil, gas, gravel, minerals, ores, fossils, timber, or other resources on or in the lands, and the right to mine for and remove the same, and it shall then enter an order on its records fixing the unit or units in which the property shall be sold and the minimum price for each of such units, and whether the sale will be for cash or whether a contract will be offered, and reserving from sale such of the resources as it may determine and from which units such reservations shall apply, and directing the county treasurer to sell such property in the unit or units and at not less than the price or prices and subject to such reservations so fixed by the county legislative authority. The order shall be subject to the approval of the county treasurer if several lots or tracts of land are combined in one unit.

Except in cases where the sale is to be by direct negotiation as provided in ~~((this chapter))~~ RCW 36.35.150, it shall be the duty of the county treasurer upon receipt of such order to publish once a week for three consecutive weeks a notice of the sale of such property in a newspaper of general circulation in the county where the land is situated. The notice shall describe the property to be sold, the unit or units, the reservations, and the minimum price fixed in the order, together with the time and place and terms of sale, in the same manner as foreclosure sales as provided by RCW 84.64.080.

The person making the bid shall state whether he or she will pay cash for the amount of his or her bid or accept a real estate contract of purchase in accordance with the provisions hereinafter contained. The person making the highest bid shall become the purchaser of the property. If the highest bidder is a contract bidder the purchaser shall be required to pay thirty percent of the total purchase price at the time of the sale and shall enter into a contract with the county as vendor and the purchaser as vendee which shall obligate and require the purchaser to pay the

balance of the purchase price in ten equal annual installments commencing November 1st and each year following the date of the sale, and shall require the purchaser to pay twelve percent interest on all deferred payments, interest to be paid at the time the annual installment is due; and may contain a provision authorizing the purchaser to make payment in full at any time of any balance due on the total purchase price plus accrued interest on such balance. The contract shall contain a provision requiring the purchaser to pay before delinquency all subsequent taxes and assessments that may be levied or assessed against the property subsequent to the date of the contract, and shall contain a provision that time is of the essence of the contract and that in event of a failure of the vendee to make payments at the time and in the manner required and to keep and perform the covenants and conditions therein required of him or her that the contract may be forfeited and terminated at the election of the vendor, and that in event of the election all sums theretofore paid by the vendee shall be forfeited as liquidated damages for failure to comply with the provisions of the contract; and shall require the vendor to execute and deliver to the vendee a deed of conveyance covering the property upon the payment in full of the purchase price, plus accrued interest.

The county legislative authority may, by order entered in its records, direct the coal, oil, gas, gravel, minerals, ores, timber, or other resources sold apart from the land, such sale to be conducted in the manner hereinabove prescribed for the sale of the land. Any such reserved minerals or resources not exceeding two hundred dollars in value may be sold, when the county legislative authority deems it advisable, either with or without such publication of the notice of sale, and in such manner as the county legislative authority may determine will be most beneficial to the county.

Sec. 11. RCW 36.35.150 and 1997 c 244 s 2 are each amended to read as follows:

The county legislative authority may dispose of tax foreclosed property by private negotiation, without a call for bids, for not less than the principal amount of the unpaid taxes in any of the following cases: (1) When the sale is to any governmental agency and for public purposes; (2) when the county legislative authority determines that it is not practical to build on the property due to the physical characteristics of the property or legal restrictions on construction activities on the property; (3) when the property has an assessed value of less than five hundred dollars and the property is sold to an adjoining landowner; or (4) when no acceptable bids were received at the attempted public auction of the property, if the sale is made within ~~((six))~~ twelve months from the date of the attempted public auction.

Sec. 12. RCW 36.96.040 and 1979 ex.s. c 5 s 4 are each amended to read as follows:

After such hearings, the county legislative authority shall make written findings whether each of the special purpose districts that was a subject of the hearings meets each of the criteria of being "inactive." Whenever a special purpose

district other than a public utility district has been found to meet a criterion of being inactive, or a public utility district has been found to meet both criteria of being inactive, the county legislative authority shall adopt an ordinance dissolving the special purpose district if it also makes additional written findings detailing why it is in the public interest that the special purpose district be dissolved, and shall provide a copy of the ordinance to the county treasurer. Except for the purpose of winding up its affairs as provided by this chapter, a special purpose district that is so dissolved shall cease to exist and the authority and obligation to carry out the purposes for which it was created shall cease thirty-one days after adoption of the dissolution ordinance.

Sec. 13. RCW 36.96.070 and 1979 ex.s. c 5 s 7 are each amended to read as follows:

Any moneys or funds of the dissolved special purpose district and any moneys or funds received by the board of trustees from the sale or other disposition of any property of the dissolved special purpose district shall be used, to the extent necessary, for the payment or settlement of any outstanding obligations of the dissolved special purpose district. Any remaining moneys or funds shall be used to pay the county legislative authority for all costs and expenses incurred in the dissolution and liquidation of the dissolved special purpose district. Thereafter, any remaining moneys, funds, or property shall become that of the county in which the dissolved special purpose district was located(~~(PROVIDED, That)~~), However, if the territory of the dissolved special purpose district was located within more than one county, the remaining moneys, funds, and personal property shall be apportioned and distributed to each county in the proportion that the geographical area of the dissolved special purpose district within the county bears to the total geographical area of the dissolved special purpose district, and any remaining real property or improvements to real property shall be transferred to the county within whose boundaries it lies. A county to which real property or improvements to real property are transferred under this section does not have an obligation to use the property or improvements for the purposes for which the dissolved special purpose district used the property or improvements and the county does not assume the obligations or liabilities of the dissolved special purpose district as a result of the transfer.

Sec. 14. RCW 39.44.200 and 1990 c 220 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 39.44.200 through 39.44.240.

(1) "Bond" means "bond" as defined in RCW 39.46.020, but also includes any other indebtedness that may be issued by any local government to fund private activities or purposes where the indebtedness is of a nonrecourse nature payable from private sources, including debt issued under chapter 39.50 RCW.

(2) "Local government" means "local government" as defined in RCW 39.46.020.

(3) "Type of bond" includes: (a) General obligation bonds, including councilmanic and voter-approved bonds; (b) revenue bonds; (c) local improvement district bonds; (d) special assessment bonds such as those issued by irrigation districts and diking districts; and (e) other classes of bonds.

(4) "State" means "state" as defined in RCW 39.46.020 but also includes any commissions or other entities of the state.

Sec. 15. RCW 39.46.020 and 1995 c 38 s 6 are each amended to read as follows:

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

(1) "Bond" means any agreement which may or may not be represented by a physical instrument, including notes, warrants, or certificates of indebtedness, that evidences an indebtedness of the state or a local government or a fund thereof, where the state or local government agrees to pay a specified amount of money, with or without interest, at a designated time or times to either registered owners or bearers, including debt issued under chapter 39.50 RCW.

(2) "Local government" means any county, city, town, special purpose district, political subdivision, municipal corporation, or quasi municipal corporation, including any public corporation created by such an entity.

(3) "Obligation" means an agreement that evidences an indebtedness of the state or a local government, other than a bond, and includes, but is not limited to, conditional sales contracts, lease obligations, and promissory notes.

(4) "State" includes the state, agencies of the state, and public corporations created by the state or agencies of the state.

(5) "Treasurer" means the state treasurer, county treasurer, city treasurer, or treasurer of any other municipal corporation.

Sec. 16. RCW 39.50.010 and 1999 c 153 s 54 are each amended to read as follows:

As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "Governing body" means the legislative authority of a municipal corporation by whatever name designated;

(2) "Local improvement district" includes local improvement districts, utility local improvement districts, road improvement districts, and other improvement districts that a municipal corporation is authorized by law to establish;

(3) "Municipal corporation" means any city, town, county, water-sewer district, school district, port district, public utility district, metropolitan municipal corporation, public transportation benefit area, park and recreation district, irrigation district, fire protection district or any other municipal or quasi municipal corporation described as such by statute, or regional transit authority, except joint operating agencies under chapter 43.52 RCW;

(4) "Ordinance" means an ordinance of a city or town or resolution or other instrument by which the governing body of the municipal corporation exercising

any power under this chapter takes formal action and adopts legislative provisions and matters of some permanency; and

(5) "Short-term obligations" are warrants, notes, capital leases, or other evidences of indebtedness, except bonds.

Sec. 17. RCW 39.50.030 and 1995 c 38 s 9 are each amended to read as follows:

(1) The issuance of short-term obligations shall be authorized by ordinance of the governing body which ordinance shall fix the maximum amount of the obligations to be issued or, if applicable, the maximum amount which may be outstanding at any time, the maximum term and interest rate or rates to be borne thereby, the manner of sale, maximum price, form including bearer or registered as provided in RCW 39.46.030, terms, conditions, and the covenants thereof. For those municipalities and taxing and assessment districts for which the county treasurer is not the designated treasurer by law, the ordinance may provide for designation and employment of a paying agent for the short-term obligations and may authorize a designated representative of the municipal corporation, ((or if the county, the county treasurer to act on its behalf and)) subject to the terms of the ordinance in selling and delivering short-term obligations authorized and fixing the dates, price, interest rates, and other details as may be specified in the ordinance. For the county and those taxing and assessment districts for which the county treasurer is the designated treasurer by law or other appointment, the county treasurer shall be notified thirty days in advance of borrowing under this chapter and will be the designated paying agent to act on its behalf for all payments of principal, interest, and penalties for that obligation, subject to the terms of the ordinance in selling and delivering short-term obligations authorized and fixing the dates, price, interest rates, and other details as may be specified in the ordinance. Short-term obligations issued under this section shall bear such fixed or variable rate or rates of interest as the governing body considers to be in the best interests of the municipal corporation. Variable rates of interest may be fixed in relationship to such standard or index as the governing body designates.

The governing body may make contracts for the future sale of short-term obligations pursuant to which the purchasers are committed to purchase the short-term obligations from time to time on the terms and conditions stated in the contract, and may pay such consideration as it considers proper for the commitments. Short-term obligations issued in anticipation of the receipt of taxes shall be paid within six months from the end of the fiscal year in which they are issued. For the purpose of this subsection, short-term obligations issued in anticipation of the sale of general obligation bonds shall not be considered to be obligations issued in anticipation of the receipt of taxes.

(2) Notwithstanding subsection (1) of this section, such short-term obligations may be issued and sold in accordance with chapter 39.46 RCW.

Sec. 18. RCW 84.38.140 and 1984 c 220 s 27 are each amended to read as follows:

(1) The ~~((county treasurer))~~ department shall collect all the amounts deferred together with interest under this chapter~~(;)~~. However, in the event that the department is unable to collect an amount deferred together with interest, that amount deferred together with interest shall be collected by the county treasurer in the manner provided for in chapter 84.56 RCW. For purposes of collection of deferred taxes, the provisions of chapters 84.56, 84.60, and 84.64 RCW shall be applicable.

(2) When any deferred special assessment and/or real property taxes together with interest are collected the moneys shall be ~~((credited to a special account in the county treasury. The county treasurer shall remit the amount of deferred special assessment and/or real property taxes together with interest to the department within thirty days from the date of collection.~~

~~—(3) The department shall deposit the deferred taxes)~~ deposited in the state general fund.

Sec. 19. RCW 84.56.250 and 1961 c 15 s 84.56.250 are each amended to read as follows:

If any county treasurer ~~((shall willfully))~~ willfully refuses or neglects to collect any taxes assessed upon personal property, where the same is collectible, or to file the delinquent list and affidavit, as herein provided, ~~((he))~~ the treasurer shall be held, in his or her next settlement with the ~~((auditor))~~ county legislative authority, liable for the whole amount of such taxes uncollected, and the same shall be deducted from his or her salary and applied to the several funds for which they were levied.

Sec. 20. RCW 85.38.220 and 1986 c 278 s 10 are each amended to read as follows:

Any special district may have its operations suspended as provided in this section. The process of suspending a special district's operations may be initiated by: (1) The adoption of a resolution proposing such action by the governing body of the special district; (2) the filing of a petition proposing such action with the county legislative authority of the county in which all or the largest portion of the special district is located, which petition is signed by voters of the special district who own at least ten percent of the acreage in the special district or is signed by ten or more voters of the special district; or (3) the adoption of a resolution proposing such action by the county legislative authority of the county in which all or the largest portion of the special district is located.

A public hearing on the proposed action shall be held by the county legislative authority at which it shall inquire into whether such action is in the public interest. Notice of the public hearing shall be published in a newspaper of general circulation in the special district, posted in at least four locations in the special district to attract the attention of the public, and mailed to the members of the governing body of the special district, if there are any. After the public hearing, the county legislative authority may adopt a resolution suspending the operations of the special district if it finds such suspension to be in the public interest, and

shall provide a copy of the resolution to the county treasurer. When a special district is located in more than one county, the legislative authority of each of such counties must so act before the operations of the special district are suspended.

After holding a public hearing on the proposed reactivation of a special district that has had its operations suspended, the legislative authority or authorities of the county or counties in which the special district is located may reactivate the special district by adopting a resolution finding such action to be in the public interest. Notice of the public hearing shall be posted and published as provided for the public hearing on a proposed suspension of a special district's operations. The governing body of a reactivated special district shall be appointed as in a newly created special district.

No special district that owns drainage or flood control improvements may be ~~((dissolved))~~ suspended unless the legislative authority of a county accepts responsibility for operation and maintenance of the improvements during the suspension period.

Sec. 21. RCW 85.38.225 and 1991 c 28 s 2 are each amended to read as follows:

As an alternative to this chapter a drainage district or drainage improvement district located within the boundaries of a county storm drainage and surface water management utility, and which is not currently imposing assessments, may be dissolved by ordinance of the county legislative authority. If the alternative dissolution procedure in this section is used the following shall apply:

(1) The county storm drainage and surface water management utility shall assume responsibility for payment or settlement of outstanding debts of the dissolved drainage district or drainage improvement district, and shall notify the county treasurer at such time of the assumption of responsibility.

(2) All assets, including money, funds, improvements, or property, real or personal, shall become assets of the county in which the dissolved drainage district or drainage improvement district was located.

(3) Notwithstanding RCW 85.38.220, the county storm drainage and surface water management utility may determine how to best manage, operate, maintain, improve, exchange, sell, or otherwise dispose of all property, real and personal, of the dissolved drainage district or drainage improvement district, and may determine to modify, cease the operation of, and/or remove any or all facilities or improvements to real property of the dissolved drainage district or drainage improvement district.

Passed the Senate April 17, 2001.

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CHAPTER 300

[Engrossed Senate Bill 5790]
VEHICULAR ASSAULT

AN ACT Relating to vehicular assault; amending RCW 46.61.522, 9.41.010, and 9.94A.030; reenacting and amending RCW 9.94A.320; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.61.522 and 1996 c 199 s 8 are each amended to read as follows:

(1) A person is guilty of vehicular assault if he or she operates or drives any vehicle:

(a) In a reckless manner(~~(;)~~) and ~~((this conduct is the proximate cause of serious))~~ causes substantial bodily ~~((injury))~~ harm to another; or

(b) While under the influence of intoxicating liquor or any drug, as defined by RCW 46.61.502, and ~~((this conduct is the proximate cause of serious))~~ causes substantial bodily ~~((injury))~~ harm to another; or

(c) With disregard for the safety of others and causes substantial bodily harm to another.

(2) ~~("Serious bodily injury" means bodily injury which involves a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any part or organ of the body:~~

~~(3))~~ Vehicular assault is a class B felony punishable under chapter 9A.20 RCW.

(3) As used in this section, "substantial bodily harm" has the same meaning as in RCW 9A.04.110.

Sec. 2. RCW 9.41.010 and 1997 c 338 s 46 are each amended to read as follows:

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

(1) "Firearm" means a weapon or device from which a projectile or projectiles may be fired by an explosive such as gunpowder.

(2) "Pistol" means any firearm with a barrel less than sixteen inches in length, or is designed to be held and fired by the use of a single hand.

(3) "Rifle" means a weapon designed or redesigned, made or remade, and intended to be fired from the shoulder and designed or redesigned, made or remade, and intended to use the energy of the explosive in a fixed metallic cartridge to fire only a single projectile through a rifled bore for each single pull of the trigger.

(4) "Short-barreled rifle" means a rifle having one or more barrels less than sixteen inches in length and any weapon made from a rifle by any means of modification if such modified weapon has an overall length of less than twenty-six inches.

(5) "Shotgun" means a weapon with one or more barrels, designed or redesigned, made or remade, and intended to be fired from the shoulder and

designed or redesigned, made or remade, and intended to use the energy of the explosive in a fixed shotgun shell to fire through a smooth bore either a number of ball shot or a single projectile for each single pull of the trigger.

(6) "Short-barreled shotgun" means a shotgun having one or more barrels less than eighteen inches in length and any weapon made from a shotgun by any means of modification if such modified weapon has an overall length of less than twenty-six inches.

(7) "Machine gun" means any firearm known as a machine gun, mechanical rifle, submachine gun, or any other mechanism or instrument not requiring that the trigger be pressed for each shot and having a reservoir clip, disc, drum, belt, or other separable mechanical device for storing, carrying, or supplying ammunition which can be loaded into the firearm, mechanism, or instrument, and fired therefrom at the rate of five or more shots per second.

(8) "Antique firearm" means a firearm or replica of a firearm not designed or redesigned for using rim fire or conventional center fire ignition with fixed ammunition and manufactured in or before 1898, including any matchlock, flintlock, percussion cap, or similar type of ignition system and also any firearm using fixed ammunition manufactured in or before 1898, for which ammunition is no longer manufactured in the United States and is not readily available in the ordinary channels of commercial trade.

(9) "Loaded" means:

(a) There is a cartridge in the chamber of the firearm;

(b) Cartridges are in a clip that is locked in place in the firearm;

(c) There is a cartridge in the cylinder of the firearm, if the firearm is a revolver;

(d) There is a cartridge in the tube or magazine that is inserted in the action;

or

(e) There is a ball in the barrel and the firearm is capped or primed if the firearm is a muzzle loader.

(10) "Dealer" means a person engaged in the business of selling firearms at wholesale or retail who has, or is required to have, a federal firearms license under 18 U.S.C. Sec. 923(a). A person who does not have, and is not required to have, a federal firearms license under 18 U.S.C. Sec. 923(a), is not a dealer if that person makes only occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby, or sells all or part of his or her personal collection of firearms.

(11) "Crime of violence" means:

(a) Any of the following felonies, as now existing or hereafter amended: Any felony defined under any law as a class A felony or an attempt to commit a class A felony, criminal solicitation of or criminal conspiracy to commit a class A felony, manslaughter in the first degree, manslaughter in the second degree, indecent liberties if committed by forcible compulsion, kidnapping in the second degree, arson in the second degree, assault in the second degree, assault of a child

in the second degree, extortion in the first degree, burglary in the second degree, residential burglary, and robbery in the second degree;

(b) Any conviction for a felony offense in effect at any time prior to June 6, 1996, which is comparable to a felony classified as a crime of violence in (a) of this subsection; and

(c) Any federal or out-of-state conviction for an offense comparable to a felony classified as a crime of violence under (a) or (b) of this subsection.

(12) "Serious offense" means any of the following felonies or a felony attempt to commit any of the following felonies, as now existing or hereafter amended:

(a) Any crime of violence;

(b) Any felony violation of the uniform controlled substances act, chapter 69.50 RCW, that is classified as a class B felony or that has a maximum term of imprisonment of at least ten years;

(c) Child molestation in the second degree;

(d) Incest when committed against a child under age fourteen;

(e) Indecent liberties;

(f) Leading organized crime;

(g) Promoting prostitution in the first degree;

(h) Rape in the third degree;

(i) Drive-by shooting;

(j) Sexual exploitation;

(k) Vehicular assault, when caused by the operation or driving of a vehicle by a person while under the influence of intoxicating liquor or any drug or by the operation or driving of a vehicle in a reckless manner;

(l) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(m) Any other class B felony offense with a finding of sexual motivation, as "sexual motivation" is defined under RCW 9.94A.030;

(n) Any other felony with a deadly weapon verdict under RCW 9.94A.125; or

(o) Any felony offense in effect at any time prior to June 6, 1996, that is comparable to a serious offense, or any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a serious offense.

(13) "Law enforcement officer" includes a general authority Washington peace officer as defined in RCW 10.93.020, or a specially commissioned Washington peace officer as defined in RCW 10.93.020. "Law enforcement officer" also includes a limited authority Washington peace officer as defined in RCW 10.93.020 if such officer is duly authorized by his or her employer to carry a concealed pistol.

(14) "Felony" means any felony offense under the laws of this state or any federal or out-of-state offense comparable to a felony offense under the laws of this state.

(15) "Sell" refers to the actual approval of the delivery of a firearm in consideration of payment or promise of payment of a certain price in money.

(16) "Barrel length" means the distance from the bolt face of a closed action down the length of the axis of the bore to the crown of the muzzle, or in the case of a barrel with attachments to the end of any legal device permanently attached to the end of the muzzle.

(17) "Family or household member" means "family" or "household member" as used in RCW 10.99.020.

Sec. 3. RCW 9.94A.030 and 2000 c 28 s 2 are each amended to read as follows:

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

(1) "Collect," or any derivative thereof, "collect and remit," or "collect and deliver," when used with reference to the department, means that the department, either directly or through a collection agreement authorized by RCW 9.94A.145, is responsible for monitoring and enforcing the offender's sentence with regard to the legal financial obligation, receiving payment thereof from the offender, and, consistent with current law, delivering daily the entire payment to the superior court clerk without depositing it in a departmental account.

(2) "Commission" means the sentencing guidelines commission.

(3) "Community corrections officer" means an employee of the department who is responsible for carrying out specific duties in supervision of sentenced offenders and monitoring of sentence conditions.

(4) "Community custody" means that portion of an offender's sentence of confinement in lieu of earned release time or imposed pursuant to RCW 9.94A.120(2)(b), 9.94A.650 through 9.94A.670, 9.94A.137, 9.94A.700 through 9.94A.715, or 9.94A.383, served in the community subject to controls placed on the offender's movement and activities by the department. For offenders placed on community custody for crimes committed on or after July 1, 2000, the department shall assess the offender's risk of reoffense and may establish and modify conditions of community custody, in addition to those imposed by the court, based upon the risk to community safety.

(5) "Community custody range" means the minimum and maximum period of community custody included as part of a sentence under RCW 9.94A.715, as established by the commission or the legislature under RCW 9.94A.040, for crimes committed on or after July 1, 2000.

(6) "Community placement" means that period during which the offender is subject to the conditions of community custody and/or postrelease supervision, which begins either upon completion of the term of confinement (postrelease supervision) or at such time as the offender is transferred to community custody

in lieu of earned release. Community placement may consist of entirely community custody, entirely postrelease supervision, or a combination of the two.

(7) "Community service" means compulsory service, without compensation, performed for the benefit of the community by the offender.

(8) "Community supervision" means a period of time during which a convicted offender is subject to crime-related prohibitions and other sentence conditions imposed by a court pursuant to this chapter or RCW 16.52.200(6) or 46.61.524. Where the court finds that any offender has a chemical dependency that has contributed to his or her offense, the conditions of supervision may, subject to available resources, include treatment. For purposes of the interstate compact for out-of-state supervision of parolees and probationers, RCW 9.95.270, community supervision is the functional equivalent of probation and should be considered the same as probation by other states.

(9) "Confinement" means total or partial confinement.

(10) "Conviction" means an adjudication of guilt pursuant to Titles 10 or 13 RCW and includes a verdict of guilty, a finding of guilty, and acceptance of a plea of guilty.

(11) "Crime-related prohibition" means an order of a court prohibiting conduct that directly relates to the circumstances of the crime for which the offender has been convicted, and shall not be construed to mean orders directing an offender affirmatively to participate in rehabilitative programs or to otherwise perform affirmative conduct. However, affirmative acts necessary to monitor compliance with the order of a court may be required by the department.

(12) "Criminal history" means the list of a defendant's prior convictions and juvenile adjudications, whether in this state, in federal court, or elsewhere. The history shall include, where known, for each conviction (a) whether the defendant has been placed on probation and the length and terms thereof; and (b) whether the defendant has been incarcerated and the length of incarceration.

(13) "Day fine" means a fine imposed by the sentencing court that equals the difference between the offender's net daily income and the reasonable obligations that the offender has for the support of the offender and any dependents.

(14) "Day reporting" means a program of enhanced supervision designed to monitor the offender's daily activities and compliance with sentence conditions, and in which the offender is required to report daily to a specific location designated by the department or the sentencing court.

(15) "Department" means the department of corrections.

(16) "Determinate sentence" means a sentence that states with exactitude the number of actual years, months, or days of total confinement, of partial confinement, of community supervision, the number of actual hours or days of community service work, or dollars or terms of a legal financial obligation. The fact that an offender through earned release can reduce the actual period of confinement shall not affect the classification of the sentence as a determinate sentence.

(17) "Disposable earnings" means that part of the earnings of an offender remaining after the deduction from those earnings of any amount required by law to be withheld. For the purposes of this definition, "earnings" means compensation paid or payable for personal services, whether denominated as wages, salary, commission, bonuses, or otherwise, and, notwithstanding any other provision of law making the payments exempt from garnishment, attachment, or other process to satisfy a court-ordered legal financial obligation, specifically includes periodic payments pursuant to pension or retirement programs, or insurance policies of any type, but does not include payments made under Title 50 RCW, except as provided in RCW 50.40.020 and 50.40.050, or Title 74 RCW.

(18) "Drug offender sentencing alternative" is a sentencing option available to persons convicted of a felony offense other than a violent offense or a sex offense and who are eligible for the option under RCW 9.94A.660.

(19) "Drug offense" means:

(a) Any felony violation of chapter 69.50 RCW except possession of a controlled substance (RCW 69.50.401(d)) or forged prescription for a controlled substance (RCW 69.50.403);

(b) Any offense defined as a felony under federal law that relates to the possession, manufacture, distribution, or transportation of a controlled substance; or

(c) Any out-of-state conviction for an offense that under the laws of this state would be a felony classified as a drug offense under (a) of this subsection.

(20) "Earned release" means earned release from confinement as provided in RCW 9.94A.150.

(21) "Escape" means:

(a) Escape in the first degree (RCW 9A.76.110), escape in the second degree (RCW 9A.76.120), willful failure to return from furlough (RCW 72.66.060), willful failure to return from work release (RCW 72.65.070), or willful failure to be available for supervision by the department while in community custody (RCW 72.09.310); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as an escape under (a) of this subsection.

(22) "Felony traffic offense" means:

(a) Vehicular homicide (RCW 46.61.520), vehicular assault (RCW 46.61.522), eluding a police officer (RCW 46.61.024), or felony hit-and-run injury-accident (RCW 46.52.020(4)); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a felony traffic offense under (a) of this subsection.

(23) "Fine" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specific period of time.

(24) "First-time offender" means any person who has no prior convictions for a felony and is eligible for the first-time offender waiver under RCW 9.94A.650.

(25) "Home detention" means a program of partial confinement available to offenders wherein the offender is confined in a private residence subject to electronic surveillance.

(26) "Legal financial obligation" means a sum of money that is ordered by a superior court of the state of Washington for legal financial obligations which may include restitution to the victim, statutorily imposed crime victims' compensation fees as assessed pursuant to RCW 7.68.035, court costs, county or interlocal drug funds, court-appointed attorneys' fees, and costs of defense, fines, and any other financial obligation that is assessed to the offender as a result of a felony conviction. Upon conviction for vehicular assault while under the influence of intoxicating liquor or any drug, RCW 46.61.522(1)(b), or vehicular homicide while under the influence of intoxicating liquor or any drug, RCW 46.61.520(1)(a), legal financial obligations may also include payment to a public agency of the expense of an emergency response to the incident resulting in the conviction, subject to RCW 38.52.430.

(27) "Most serious offense" means any of the following felonies or a felony attempt to commit any of the following felonies:

(a) Any felony defined under any law as a class A felony or criminal solicitation of or criminal conspiracy to commit a class A felony;

(b) Assault in the second degree;

(c) Assault of a child in the second degree;

(d) Child molestation in the second degree;

(e) Controlled substance homicide;

(f) Extortion in the first degree;

(g) Incest when committed against a child under age fourteen;

(h) Indecent liberties;

(i) Kidnapping in the second degree;

(j) Leading organized crime;

(k) Manslaughter in the first degree;

(l) Manslaughter in the second degree;

(m) Promoting prostitution in the first degree;

(n) Rape in the third degree;

(o) Robbery in the second degree;

(p) Sexual exploitation;

(q) Vehicular assault, when caused by the operation or driving of a vehicle by a person while under the influence of intoxicating liquor or any drug or by the operation or driving of a vehicle in a reckless manner;

(r) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(s) Any other class B felony offense with a finding of sexual motivation;

(t) Any other felony with a deadly weapon verdict under RCW 9.94A.125;

(u) Any felony offense in effect at any time prior to December 2, 1993, that is comparable to a most serious offense under this subsection, or any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a most serious offense under this subsection;

(v)(i) A prior conviction for indecent liberties under RCW 9A.88.100(1) (a), (b), and (c), chapter 260, Laws of 1975 1st ex. sess. as it existed until July 1, 1979, RCW 9A.44.100(1) (a), (b), and (c) as it existed from July 1, 1979, until June 11, 1986, and RCW 9A.44.100(1) (a), (b), and (d) as it existed from June 11, 1986, until July 1, 1988;

(ii) A prior conviction for indecent liberties under RCW 9A.44.100(1)(c) as it existed from June 11, 1986, until July 1, 1988, if: (A) The crime was committed against a child under the age of fourteen; or (B) the relationship between the victim and perpetrator is included in the definition of indecent liberties under RCW 9A.44.100(1)(c) as it existed from July 1, 1988, through July 27, 1997, or RCW 9A.44.100(1) (d) or (e) as it existed from July 25, 1993, through July 27, 1997.

(28) "Nonviolent offense" means an offense which is not a violent offense.

(29) "Offender" means a person who has committed a felony established by state law and is eighteen years of age or older or is less than eighteen years of age but whose case is under superior court jurisdiction under RCW 13.04.030 or has been transferred by the appropriate juvenile court to a criminal court pursuant to RCW 13.40.110. Throughout this chapter, the terms "offender" and "defendant" are used interchangeably.

(30) "Partial confinement" means confinement for no more than one year in a facility or institution operated or utilized under contract by the state or any other unit of government, or, if home detention or work crew has been ordered by the court, in an approved residence, for a substantial portion of each day with the balance of the day spent in the community. Partial confinement includes work release, home detention, work crew, and a combination of work crew and home detention.

(31) "Persistent offender" is an offender who:

(a)(i) Has been convicted in this state of any felony considered a most serious offense; and

(ii) Has, before the commission of the offense under (a) of this subsection, been convicted as an offender on at least two separate occasions, whether in this state or elsewhere, of felonies that under the laws of this state would be considered most serious offenses and would be included in the offender score under RCW 9.94A.360; provided that of the two or more previous convictions, at least one conviction must have occurred before the commission of any of the other most serious offenses for which the offender was previously convicted; or

(b)(i) Has been convicted of: (A) Rape in the first degree, rape of a child in the first degree, child molestation in the first degree, rape in the second degree, rape of a child in the second degree, or indecent liberties by forcible compulsion; (B) murder in the first degree, murder in the second degree, homicide by abuse,

kidnapping in the first degree, kidnapping in the second degree, assault in the first degree, assault in the second degree, assault of a child in the first degree, or burglary in the first degree, with a finding of sexual motivation; or (C) an attempt to commit any crime listed in this subsection (31)(b)(i); and

(ii) Has, before the commission of the offense under (b)(i) of this subsection, been convicted as an offender on at least one occasion, whether in this state or elsewhere, of an offense listed in (b)(i) of this subsection. A conviction for rape of a child in the first degree constitutes a conviction under (b)(i) of this subsection only when the offender was sixteen years of age or older when the offender committed the offense. A conviction for rape of a child in the second degree constitutes a conviction under (b)(i) of this subsection only when the offender was eighteen years of age or older when the offender committed the offense.

(32) "Postrelease supervision" is that portion of an offender's community placement that is not community custody.

(33) "Restitution" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specified period of time as payment of damages. The sum may include both public and private costs.

(34) "Risk assessment" means the application of an objective instrument supported by research and adopted by the department for the purpose of assessing an offender's risk of reoffense, taking into consideration the nature of the harm done by the offender, place and circumstances of the offender related to risk, the offender's relationship to any victim, and any information provided to the department by victims. The results of a risk assessment shall not be based on unconfirmed or unconfirmable allegations.

(35) "Serious traffic offense" means:

(a) Driving while under the influence of intoxicating liquor or any drug (RCW 46.61.502), actual physical control while under the influence of intoxicating liquor or any drug (RCW 46.61.504), reckless driving (RCW 46.61.500), or hit-and-run an attended vehicle (RCW 46.52.020(5)); or

(b) Any federal, out-of-state, county, or municipal conviction for an offense that under the laws of this state would be classified as a serious traffic offense under (a) of this subsection.

(36) "Serious violent offense" is a subcategory of violent offense and means:

(a)(i) Murder in the first degree;

(ii) Homicide by abuse;

(iii) Murder in the second degree;

(iv) Manslaughter in the first degree;

(v) Assault in the first degree;

(vi) Kidnapping in the first degree;

(vii) Rape in the first degree;

(viii) Assault of a child in the first degree; or

(ix) An attempt, criminal solicitation, or criminal conspiracy to commit one of these felonies; or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a serious violent offense under (a) of this subsection.

(37) "Sex offense" means:

(a) A felony that is a violation of:

(i) Chapter 9A.44 RCW other than RCW 9A.44.130(11);

(ii) RCW 9A.64.020;

(iii) RCW 9.68A.090; or

(iv) A felony that is, under chapter 9A.28 RCW, a criminal attempt, criminal solicitation, or criminal conspiracy to commit such crimes;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a sex offense in (a) of this subsection;

(c) A felony with a finding of sexual motivation under RCW 9.94A.127 or 13.40.135; or

(d) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a sex offense under (a) of this subsection.

(38) "Sexual motivation" means that one of the purposes for which the defendant committed the crime was for the purpose of his or her sexual gratification.

(39) "Standard sentence range" means the sentencing court's discretionary range in imposing a nonappealable sentence.

(40) "Statutory maximum sentence" means the maximum length of time for which an offender may be confined as punishment for a crime as prescribed in chapter 9A.20 RCW, RCW 9.92.010, the statute defining the crime, or other statute defining the maximum penalty for a crime.

(41) "Total confinement" means confinement inside the physical boundaries of a facility or institution operated or utilized under contract by the state or any other unit of government for twenty-four hours a day, or pursuant to RCW 72.64.050 and 72.64.060.

(42) "Transition training" means written and verbal instructions and assistance provided by the department to the offender during the two weeks prior to the offender's successful completion of the work ethic camp program. The transition training shall include instructions in the offender's requirements and obligations during the offender's period of community custody.

(43) "Victim" means any person who has sustained emotional, psychological, physical, or financial injury to person or property as a direct result of the crime charged.

(44) "Violent offense" means:

(a) Any of the following felonies:

(i) Any felony defined under any law as a class A felony or an attempt to commit a class A felony;

- (ii) Criminal solicitation of or criminal conspiracy to commit a class A felony;
- (iii) Manslaughter in the first degree;
- (iv) Manslaughter in the second degree;
- (v) Indecent liberties if committed by forcible compulsion;
- (vi) Kidnapping in the second degree;
- (vii) Arson in the second degree;
- (viii) Assault in the second degree;
- (ix) Assault of a child in the second degree;
- (x) Extortion in the first degree;
- (xi) Robbery in the second degree;
- (xii) Drive-by shooting;
- (xiii) Vehicular assault, when caused by the operation or driving of a vehicle by a person while under the influence of intoxicating liquor or any drug or by the operation or driving of a vehicle in a reckless manner; and
- (xiv) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a violent offense in (a) of this subsection; and

(c) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a violent offense under (a) or (b) of this subsection.

(45) "Work crew" means a program of partial confinement consisting of civic improvement tasks for the benefit of the community that complies with RCW 9.94A.135.

(46) "Work ethic camp" means an alternative incarceration program as provided in RCW 9.94A.137 designed to reduce recidivism and lower the cost of corrections by requiring offenders to complete a comprehensive array of real-world job and vocational experiences, character-building work ethics training, life management skills development, substance abuse rehabilitation, counseling, literacy training, and basic adult education.

(47) "Work release" means a program of partial confinement available to offenders who are employed or engaged as a student in a regular course of study at school.

Sec. 4. RCW 9.94A.320 and 2000 c 225 s 5, 2000 c 119 s 17, and 2000 c 66 s 2 are each reenacted and amended to read as follows:

TABLE 2

CRIMES INCLUDED WITHIN EACH SERIOUSNESS LEVEL

XVI	Aggravated Murder 1 (RCW 10.95.020)
XV	Homicide by abuse (RCW 9A.32.055)

- Malicious explosion 1 (RCW 70.74.280(1))
- Murder 1 (RCW 9A.32.030)
- XIV Murder 2 (RCW 9A.32.050)
- XIII Malicious explosion 2 (RCW 70.74.280(2))
- Malicious placement of an explosive 1 (RCW 70.74.270(1))
- XII Assault 1 (RCW 9A.36.011)
- Assault of a Child 1 (RCW 9A.36.120)
- Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a))
- Rape 1 (RCW 9A.44.040)
- Rape of a Child 1 (RCW 9A.44.073)
- XI Manslaughter 1 (RCW 9A.32.060)
- Rape 2 (RCW 9A.44.050)
- Rape of a Child 2 (RCW 9A.44.076)
- X Child Molestation 1 (RCW 9A.44.083)
- Indecent Liberties (with forcible compulsion) (RCW 9A.44.100(1)(a))
- Kidnapping 1 (RCW 9A.40.020)
- Leading Organized Crime (RCW 9A.82.060(1)(a))
- Malicious explosion 3 (RCW 70.74.280(3))
- Manufacture of methamphetamine (RCW 69.50.401(a)(1)(ii))
- Over 18 and deliver heroin, methamphetamine, a narcotic from Schedule I or II, or flunitrazepam from Schedule IV to someone under 18 (RCW 69.50.406)
- IX Assault of a Child 2 (RCW 9A.36.130)
- Controlled Substance Homicide (RCW 69.50.415)
- Explosive devices prohibited (RCW 70.74.180)
- Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050)
- Inciting Criminal Profiteering (RCW 9A.82.060(1)(b))
- Malicious placement of an explosive 2 (RCW 70.74.270(2))
- Over 18 and deliver narcotic from Schedule III, IV, or V or a nonnarcotic, except flunitrazepam or methamphetamine, from

- Schedule I-V to someone under 18 and 3 years junior (RCW 69.50.406)
- Robbery 1 (RCW 9A.56.200)
- Sexual Exploitation (RCW 9.68A.040)
- Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520)
- VIII Arson 1 (RCW 9A.48.020)
- Deliver or possess with intent to deliver methamphetamine (RCW 69.50.401(a)(1)(ii))
- Hit and Run—Death (RCW 46.52.020(4)(a))
- Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050)
- Manslaughter 2 (RCW 9A.32.070)
- Manufacture, deliver, or possess with intent to deliver amphetamine (RCW 69.50.401(a)(1)(ii))
- Manufacture, deliver, or possess with intent to deliver heroin or cocaine (RCW 69.50.401(a)(1)(i))
- Possession of Ephedrine, Pseudoephedrine, or Anhydrous Ammonia with intent to manufacture methamphetamine (RCW 69.50.440)
- Promoting Prostitution 1 (RCW 9A.88.070)
- Selling for profit (controlled or counterfeit) any controlled substance (RCW 69.50.410)
- Theft of Anhydrous Ammonia (RCW 69.55.010)
- Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520)
- VII Burglary 1 (RCW 9A.52.020)
- Child Molestation 2 (RCW 9A.44.086)
- Dealing in depictions of minor engaged in sexually explicit conduct (RCW 9.68A.050)
- Drive-by Shooting (RCW 9A.36.045)
- Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050)

- Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(I) (b) and (c))
- Introducing Contraband I (RCW 9A.76.140)
- Involving a minor in drug dealing (RCW 69.50.401(f))
- Malicious placement of an explosive 3 (RCW 70.74.270(3))
- Sending, bringing into state depictions of minor engaged in sexually explicit conduct (RCW 9.68A.060)
- Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(I)(a))
- Use of a Machine Gun in Commission of a Felony (RCW 9.41.225)
- Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520)
- VI Bail Jumping with Murder I (RCW 9A.76.170(2)(a))
- Bribery (RCW 9A.68.010)
- Incest I (RCW 9A.64.020(1))
- Intimidating a Judge (RCW 9A.72.160)
- Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130)
- Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b))
- Manufacture, deliver, or possess with intent to deliver narcotics from Schedule I or II (except heroin or cocaine) or flunitrazepam from Schedule IV (RCW 69.50.401(a)(1)(i))
- Rape of a Child 3 (RCW 9A.44.079)
- Theft of a Firearm (RCW 9A.56.300)
- Unlawful Storage of Anhydrous Ammonia (RCW 69.55.020)
- V Abandonment of dependent person I (RCW 9A.42.060)
- Advancing money or property for extortionate extension of credit (RCW 9A.82.030)
- Bail Jumping with class A Felony (RCW 9A.76.170(2)(b))
- Child Molestation 3 (RCW 9A.44.089)
- Criminal Mistreatment I (RCW 9A.42.020)

- Custodial Sexual Misconduct 1 (RCW 9A.44.160)
- Delivery of imitation controlled substance by person eighteen or over to person under eighteen (RCW 69.52.030(2))
- Domestic Violence Court Order Violation (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, 26.26.138, 26.50.110, 26.52.070, or 74.34.145)
- Extortion 1 (RCW 9A.56.120)
- Extortionate Extension of Credit (RCW 9A.82.020)
- Extortionate Means to Collect Extensions of Credit (RCW 9A.82.040)
- Incest 2 (RCW 9A.64.020(2))
- Kidnapping 2 (RCW 9A.40.030)
- Perjury 1 (RCW 9A.72.020)
- Persistent prison misbehavior (RCW 9.94.070)
- Possession of a Stolen Firearm (RCW 9A.56.310)
- Rape 3 (RCW 9A.44.060)
- Rendering Criminal Assistance 1 (RCW 9A.76.070)
- Sexual Misconduct with a Minor 1 (RCW 9A.44.093)
- Sexually Violating Human Remains (RCW 9A.44.105)
- Stalking (RCW 9A.46.110)
- IV Arson 2 (RCW 9A.48.030)
- Assault 2 (RCW 9A.36.021)
- Assault by Watercraft (RCW 79A.60.060)
- Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100)
- Commercial Bribery (RCW 9A.68.060)
- Counterfeiting (RCW 9.16.035(4))
- Escape 1 (RCW 9A.76.110)
- Hit and Run—Injury (RCW 46.52.020(4)(b))
- Hit and Run with Vessel—Injury Accident (RCW 79A.60.200(3))
- Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010)

- Influencing Outcome of Sporting Event (RCW 9A.82.070)
- Knowingly Trafficking in Stolen Property (RCW 9A.82.050(2))
- Malicious Harassment (RCW 9A.36.080)
- Manufacture, deliver, or possess with intent to deliver narcotics from Schedule III, IV, or V or nonnarcotics from Schedule I-V (except marijuana, amphetamine, methamphetamines, or flunitrazepam) (RCW 69.50.401(a)(1) (iii) through (v))
- Residential Burglary (RCW 9A.52.025)
- Robbery 2 (RCW 9A.56.210)
- Theft of Livestock 1 (RCW 9A.56.080)
- Threats to Bomb (RCW 9.61.160)
- Use of Proceeds of Criminal Profiteering (RCW 9A.82.080 (1) and (2))
- Vehicle Assault, by being under the influence of intoxicating liquor or any drug, or by the operation or driving of a vehicle in a reckless manner (RCW 46.61.522)
- Willful Failure to Return from Furlough (RCW 72.66.060)
- III Abandonment of dependent person 2 (RCW 9A.42.070)
- Assault 3 (RCW 9A.36.031)
- Assault of a Child 3 (RCW 9A.36.140)
- Bail Jumping with class B or C Felony (RCW 9A.76.170(2)(c))
- Burglary 2 (RCW 9A.52.030)
- Communication with a Minor for Immoral Purposes (RCW 9.68A.090)
- Criminal Gang Intimidation (RCW 9A.46.120)
- Criminal Mistreatment 2 (RCW 9A.42.030)
- Custodial Assault (RCW 9A.36.100)
- Delivery of a material in lieu of a controlled substance (RCW 69.50.401(c))
- Escape 2 (RCW 9A.76.120)
- Extortion 2 (RCW 9A.56.130)
- Harassment (RCW 9A.46.020)
- Intimidating a Public Servant (RCW 9A.76.180)
- Introducing Contraband 2 (RCW 9A.76.150)

- Maintaining a Dwelling or Place for Controlled Substances (RCW 69.50.402(a)(6))
 - Malicious Injury to Railroad Property (RCW 81.60.070)
 - Manufacture, deliver, or possess with intent to deliver marijuana (RCW 69.50.401(a)(1)(iii))
 - Manufacture, distribute, or possess with intent to distribute an imitation controlled substance (RCW 69.52.030(1))
 - Patronizing a Juvenile Prostitute (RCW 9.68A.100)
 - Perjury 2 (RCW 9A.72.030)
 - Possession of Incendiary Device (RCW 9.40.120)
 - Possession of Machine Gun or Short-Barreled Shotgun or Rifle (RCW 9.41.190)
 - Promoting Prostitution 2 (RCW 9A.88.080)
 - Recklessly Trafficking in Stolen Property (RCW 9A.82.050(1))
 - Securities Act violation (RCW 21.20.400)
 - Tampering with a Witness (RCW 9A.72.120)
 - Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230)
 - Theft of Livestock 2 (RCW 9A.56.080)
 - Unlawful Imprisonment (RCW 9A.40.040)
 - Unlawful possession of firearm in the second degree (RCW 9.41.040(1)(b))
 - Unlawful Use of Building for Drug Purposes (RCW 69.53.010)
 - Vehicular Assault, by the operation or driving of a vehicle with disregard for the safety of others (RCW 46.61.522)
 - Willful Failure to Return from Work Release (RCW 72.65.070)
- II
- Computer Trespass 1 (RCW 9A.52.110)
 - Counterfeiting (RCW 9.16.035(3))
 - Create, deliver, or possess a counterfeit controlled substance (RCW 69.50.401(b))
 - Escape from Community Custody (RCW 72.09.310)
 - Health Care False Claims (RCW 48.80.030)
 - Malicious Mischief 1 (RCW 9A.48.070)

- Possession of controlled substance that is either heroin or narcotics from Schedule I or II or flunitrazepam from Schedule IV (RCW 69.50.401(d))
- Possession of phencyclidine (PCP) (RCW 69.50.401(d))
- Possession of Stolen Property 1 (RCW 9A.56.150)
- Theft 1 (RCW 9A.56.030)
- Theft of Rental, Leased, or Lease-purchased Property (valued at one thousand five hundred dollars or more) (RCW 9A.56.096(4))
- Trafficking in Insurance Claims (RCW 48.30A.015)
- Unlawful Practice of Law (RCW 2.48.180)
- Unlicensed Practice of a Profession or Business (RCW 18.130.190(7))
- I Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024)
- False Verification for Welfare (RCW 74.08.055)
- Forged Prescription (RCW 69.41.020)
- Forged Prescription for a Controlled Substance (RCW 69.50.403)
- Forgery (RCW 9A.60.020)
- Malicious Mischief 2 (RCW 9A.48.080)
- Possess Controlled Substance that is a Narcotic from Schedule III, IV, or V or Non-narcotic from Schedule I-V (except phencyclidine or flunitrazepam) (RCW 69.50.401(d))
- Possession of Stolen Property 2 (RCW 9A.56.160)
- Reckless Burning 1 (RCW 9A.48.040)
- Taking Motor Vehicle Without Permission (RCW 9A.56.070)
- Theft 2 (RCW 9A.56.040)
- Theft of Rental, Leased, or Lease-purchased Property (valued at two hundred fifty dollars or more but less than one thousand five hundred dollars) (RCW 9A.56.096(4))

Unlawful Issuance of Checks or Drafts (RCW
9A.56.060)

Unlawful Use of Food Stamps (RCW 9.91.140
(2) and (3))

Vehicle Prowl 1 (RCW 9A.52.095)

Passed the Senate April 18, 2001.

Passed the House April 12, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 301

[Substitute Senate Bill 5896]

DNA EVIDENCE

AN ACT Relating to DNA testing of evidence; amending RCW 10.73.170; and adding a new section to chapter 10.73 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 10.73.170 and 2000 c 92 s 1 are each amended to read as follows:

(1) On or before December 31, ~~((2002))~~ 2004, a person in this state who has been ~~((sentenced to death or life imprisonment without possibility of release or parole))~~ convicted of a felony and is currently serving a term of imprisonment and who has been denied postconviction DNA testing may submit a request to the county prosecutor in the county where the conviction was obtained for postconviction DNA testing, if DNA evidence was not admitted because the court ruled DNA testing did not meet acceptable scientific standards or DNA testing technology was not sufficiently developed to test the DNA evidence in the case. On and after January 1, ~~((2003))~~ 2005, a person must raise the DNA issues at trial or on appeal.

(2) The prosecutor shall screen the request. The request shall be reviewed based upon the likelihood that the DNA evidence would demonstrate innocence on a more probable than not basis. Upon determining that testing should occur and the evidence still exists, the prosecutor shall request DNA testing by the Washington state patrol crime laboratory. Contact with victims shall be handled through victim/witness divisions.

(3) A person denied a request made pursuant to subsections (1) and (2) of this section has a right to appeal his or her request within thirty days of denial of the request by the prosecutor. The appeal shall be to the attorney general's office. If the attorney general's office determines that it is likely that the DNA testing would demonstrate innocence on a more probable than not basis, then the attorney general's office shall request DNA testing by the Washington state patrol crime laboratory.

(4) Notwithstanding any other provision of law, any biological material that has been secured in connection with a criminal case prior to the effective date of this act may not be destroyed before January 1, 2005.

NEW SECTION. Sec. 2. A new section is added to chapter 10.73 RCW to read as follows:

Nothing in this act may be construed to create a new or additional cause of action in any court. Nothing in this act shall be construed to limit any rights offenders might otherwise have to court access under any other statutory or constitutional provision.

Passed the Senate March 13, 2001.

Passed the House April 19, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 302

[Substitute Senate Bill 5988]

STATE INVESTMENT BOARD

AN ACT Relating to the state investment board; and amending RCW 43.33A.100 and 43.03.028.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.33A.100 and 1993 c 281 s 50 are each amended to read as follows:

The state investment board shall maintain appropriate offices and employ such personnel as may be necessary to perform its duties. Employment by the investment board shall include but not be limited to an executive director, investment officers, and a confidential secretary, which positions are exempt from classified service under chapter 41.06 RCW. Employment of the executive director by the board shall be for a term of three years, and such employment shall be subject to confirmation of the state finance committee: PROVIDED, That nothing shall prevent the board from dismissing the director for cause before the expiration of the term nor shall anything prohibit the board, with the confirmation of the state finance committee, from employing the same individual as director in succeeding terms. Compensation levels for the ~~executive director, a confidential secretary, and all investment officers, including the deputy director for investment management,~~ employed by the investment board shall be established by the ~~((Washington personnel resources))~~ state investment board. The investment board is authorized to maintain a retention pool, from the earnings of the funds managed by the board, in order to address recruitment and retention problems. The compensation levels for investment officers shall be limited to the average of state funds of similar size, based upon a biennial survey conducted by the investment board, with review and comment by the joint legislative audit and review committee. However, in any fiscal year the salary increases granted by the

investment board from the retention pool to investment officers pursuant to this section may not exceed an average of five percent.

The investment board shall provide notice to the director of the department of personnel, the director of financial management, and the chairs of the house of representatives and senate fiscal committees of proposed changes to the compensation levels for the positions. The notice shall be provided not less than sixty days prior to the effective date of the proposed changes.

As of July 1, 1981, all employees classified under chapter 41.06 RCW and engaged in duties assumed by the state investment board on July 1, 1981, are assigned to the state investment board. The transfer shall not diminish any rights granted these employees under chapter 41.06 RCW nor exempt the employees from any action which may occur thereafter in accordance with chapter 41.06 RCW.

All existing contracts and obligations pertaining to the functions transferred to the state investment board in this 1980 act shall remain in full force and effect, and shall be performed by the board. None of the transfers directed by this 1980 act shall affect the validity of any act performed by a state entity or by any official or employee thereof prior to July 1, 1981.

Sec. 2. RCW 43.03.028 and 1995 c 67 s 1 are each amended to read as follows:

(1) There is hereby created a state committee on agency officials' salaries to consist of seven members, or their designees, as follows: The president of the University of Puget Sound; the chairperson of the council of presidents of the state's four-year institutions of higher education; the chairperson of the Washington personnel resources board; the president of the Association of Washington Business; the president of the Pacific Northwest Personnel Managers' Association; the president of the Washington State Bar Association; and the president of the Washington State Labor Council. If any of the titles or positions mentioned in this subsection are changed or abolished, any person occupying an equivalent or like position shall be qualified for appointment by the governor to membership upon the committee.

(2) The committee shall study the duties and salaries of the directors of the several departments and the members of the several boards and commissions of state government, who are subject to appointment by the governor or whose salaries are fixed by the governor, and of the chief executive officers of the following agencies of state government:

The arts commission; the human rights commission; the board of accountancy; the board of pharmacy; the eastern Washington historical society; the Washington state historical society; the interagency committee for outdoor recreation; the criminal justice training commission; the department of personnel; (~~the state finance committee;~~) the state library; the traffic safety commission; the horse racing commission; the advisory council on vocational education; the public disclosure commission; the state conservation commission; the commission on

Hispanic affairs; the commission on Asian Pacific American affairs; the state board for volunteer fire fighters and reserve officers; the transportation improvement board; the public employment relations commission; the forest practices appeals board; and the energy facilities site evaluation council.

The committee shall report to the governor or the chairperson of the appropriate salary fixing authority at least once in each fiscal biennium on such date as the governor may designate, but not later than seventy-five days prior to the convening of each regular session of the legislature during an odd-numbered year, its recommendations for the salaries to be fixed for each position.

(3) Committee members shall be reimbursed by the department of personnel for travel expenses under RCW 43.03.050 and 43.03.060.

Passed the Senate April 20, 2001.

Passed the House April 19, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 303

[House Bill 1071]

SALMON RECOVERY FUNDING BOARD—GRANT APPLICATION DEADLINES

AN ACT Relating to salmon recovery funding board grant application deadlines; and amending RCW 77.85.140.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 77.85.140 and 2000 c 107 s 103 are each amended to read as follows:

(1) Habitat project lists shall be submitted to the salmon recovery funding board for funding ~~((by January 1st and July 1st of each year beginning in 2000))~~ at least once a year on a schedule established by the board. The board shall provide the legislature with a list of the proposed projects and a list of the projects funded by October 1st of each year ~~((beginning in 2000))~~ for informational purposes. Project sponsors who complete salmon habitat projects approved for funding from habitat project lists and have met grant application deadlines will be paid by the salmon recovery funding board within thirty days of project completion.

(2) The interagency committee for outdoor recreation shall track all funds allocated for salmon habitat projects and salmon recovery activities on behalf of the board, including both funds allocated by the board and funds allocated by other state or federal agencies for salmon recovery or water quality improvement.

(3) Beginning in December 2000, the board shall provide a biennial report to the governor and the legislature on salmon recovery expenditures. This report shall be coordinated with the state of the salmon report required under RCW 77.85.020.

Passed the House April 13, 2001.
 Passed the Senate April 3, 2001.
 Approved by the Governor May 14, 2001.
 Filed in Office of Secretary of State May 14, 2001.

CHAPTER 304

[Substitute House Bill 1295]

ECONOMIC DEVELOPMENT FINANCE AUTHORITY

AN ACT Relating to the Washington economic development finance authority; amending RCW 43.163.090, 43.163.130, and 43.163.210; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.163.090 and 1998 c 245 s 50 are each amended to read as follows:

The authority shall adopt a general plan of economic development finance objectives to be implemented by the authority during the period of the plan. The authority may exercise the powers authorized under this chapter prior to the adoption of the initial plan. In developing the plan, the authority shall consider and set objectives for:

- (1) Employment generation associated with the authority's programs;
- (2) The application of funds to sectors and regions of the state economy evidencing need for improved access to capital markets and funding resources;
- (3) Geographic distribution of funds and programs available through the authority;
- (4) Eligibility criteria for participants in authority programs;
- (5) The use of funds and resources available from or through federal, state, local, and private sources and programs;
- (6) Standards for economic viability and growth opportunities of participants in authority programs;
- (7) New programs which serve a targeted need for financing assistance within the purposes of this chapter; and
- (8) Opportunities to improve capital access as evidenced by programs existent in other states or as they are made possible by results of private capital market circumstances.

The authority shall, as part of the finance plan required under this section, develop an outreach and marketing plan designed to increase its financial services to ~~((distressed)) rural~~ counties. As used in this section, "~~((distressed)) rural counties~~" ~~((has the same meaning as distressed area))~~ means counties smaller than two hundred twenty-five square miles or as defined in RCW 43.168.020.

At least one public hearing shall be conducted by the authority on the plan prior to its adoption. The plan shall be adopted by resolution of the authority no later than November 15, 1990. The authority may periodically update the plan as determined necessary by the authority. The plan or updated plan shall include a report on authority activities conducted since the commencement of authority

operation or since the last plan was reported, whichever is more recent, including a statement of results achieved under the purposes of this chapter and the plan. Upon adoption, the authority shall conduct its programs in observance of the objectives established in the plan.

Sec. 2. RCW 43.163.130 and 1998 c 48 s 1 are each amended to read as follows:

(1) The authority may issue its nonrecourse revenue bonds in order to obtain the funds to carry out the programs authorized in this chapter. The bonds shall be special obligations of the authority, payable solely out of the special fund or funds established by the authority for their repayment.

(2) Any bonds issued under this chapter may be secured by a financing document between the authority and the purchasers or owners of such bonds or between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state.

(a) The financing document may pledge or assign, in whole or in part, the revenues and funds held or to be received by the authority, any present or future contract or other rights to receive the same, and the proceeds thereof.

(b) The financing document may contain such provisions for protecting and enforcing the rights, security, and remedies of bondowners as may be reasonable and proper, including, without limiting the generality of the foregoing, provisions defining defaults and providing for remedies in the event of default which may include the acceleration of maturities, restrictions on the individual rights of action by bondowners, and covenants setting forth duties of and limitations on the authority in conduct of its programs and the management of its property.

(c) In addition to other security provided in this chapter or otherwise by law, bonds issued by the authority may be secured, in whole or in part, by financial guaranties, by insurance or by letters of credit issued to the authority or a trustee or any other person, by any bank, trust company, insurance or surety company or other financial institution, within or without the state. The authority may pledge or assign, in whole or in part, the revenues and funds held or to be received by the authority, any present or future contract or other rights to receive the same, and the proceeds thereof, as security for such guaranties or insurance or for the reimbursement by the authority to any issuer of such letter of credit of any payments made under such letter of credit.

(3) Without limiting the powers of the authority contained in this chapter, in connection with each issue of its obligation bonds, the authority shall create and establish one or more special funds, including, but not limited to debt service and sinking funds, reserve funds, project funds, and such other special funds as the authority deems necessary, useful, or convenient.

(4) Any security interest created against the unexpended bond proceeds and against the special funds created by the authority shall be immediately valid and binding against the money and any securities in which the money may be invested without authority or trustee possession. The security interest shall be prior to any

party having any competing claim against the moneys or securities, without filing or recording under Article 9 of the Uniform Commercial Code, Title 62A RCW, and regardless of whether the party has notice of the security interest.

(5) The bonds may be issued as serial bonds, term bonds or any other type of bond instrument consistent with the provisions of this chapter. The bonds shall bear such date or dates; mature at such time or times; bear interest at such rate or rates, either fixed or variable; be payable at such time or times; be in such denominations; be in such form; bear such privileges of transferability, exchangeability, and interchangeability; be subject to such terms of redemption; and be sold at public or private sale, in such manner, at such time or times, and at such price or prices as the authority shall determine. The bonds shall be executed by the manual or facsimile signatures of the authority's chair and either its secretary or executive director, and may be authenticated by the trustee (if the authority determines to use a trustee) or any registrar which may be designated for the bonds by the authority.

(6) Bonds may be issued by the authority to refund other outstanding authority bonds, at or prior to maturity of, and to pay any redemption premium on, the outstanding bonds. Bonds issued for refunding purposes may be combined with bonds issued for the financing or refinancing of new projects. Pending the application of the proceeds of the refunding bonds to the redemption of the bonds to be redeemed, the authority may enter into an agreement or agreements with a corporate trustee regarding the interim investment of the proceeds and the application of the proceeds and the earnings on the proceeds to the payment of the principal of and interest on, and the redemption of, the bonds to be redeemed.

(7) The bonds of the authority may be negotiable instruments under Title 62A RCW.

(8) Neither the members of the authority, nor its employees or agents, nor any person executing the bonds shall be personally liable on the bonds or be subject to any personal liability or accountability by reason of the issuance of the bonds.

(9) The authority may purchase its bonds with any of its funds available for the purchase. The authority may hold, pledge, cancel or resell the bonds subject to and in accordance with agreements with bondowners.

(10) The authority shall not exceed ~~((five))~~ seven hundred fifty million dollars in total outstanding debt at any time.

(11) The state finance committee shall be notified in advance of the issuance of bonds by the authority in order to promote the orderly offering of obligations in the financial markets.

(12) The authority may not issue any bonds after June 30, ~~((2004))~~ 2006.

Sec. 3. RCW 43.163.210 and 1998 c 48 s 2 are each amended to read as follows:

For the purpose of facilitating economic development in the state of Washington and encouraging the employment of Washington workers at meaningful wages:

(1) The authority may develop and conduct a program or programs to provide nonrecourse revenue bond financing for the project costs for economic development activities.

(2) The authority may develop and conduct a program that will stimulate and encourage the development of new products within Washington state by the infusion of financial aid for invention and innovation in situations in which the financial aid would not otherwise be reasonably available from commercial sources. The authority is authorized to provide nonrecourse revenue bond financing for this program.

(a) For the purposes of this program, the authority shall have the following powers and duties:

(i) To enter into financing agreements with eligible persons doing business in Washington state, upon terms and on conditions consistent with the purposes of this chapter, for the advancement of financial and other assistance to the persons for the development of specific products, procedures, and techniques, to be developed and produced in this state, and to condition the agreements upon contractual assurances that the benefits of increasing or maintaining employment and tax revenues shall remain in this state and accrue to it;

(ii) Own, possess, and take license in patents, copyrights, and proprietary processes and negotiate and enter into contracts and establish charges for the use of the patents, copyrights, and proprietary processes when the patents and licenses for products result from assistance provided by the authority;

(iii) Negotiate royalty payments to the authority on patents and licenses for products arising as a result of assistance provided by the authority;

(iv) Negotiate and enter into other types of contracts with eligible persons that assure that public benefits will result from the provision of services by the authority; provided that the contracts are consistent with the state Constitution;

(v) Encourage and provide technical assistance to eligible persons in the process of developing new products;

(vi) Refer eligible persons to researchers or laboratories for the purpose of testing and evaluating new products, processes, or innovations; and

(vii) To the extent permitted under its contract with eligible persons, to consent to a termination, modification, forgiveness, or other change of a term of a contractual right, payment, royalty, contract, or agreement of any kind to which the authority is a party.

(b) Eligible persons seeking financial and other assistance under this program shall forward an application, together with an application fee prescribed by rule, to the authority. An investigation and report concerning the advisability of approving an application for assistance shall be completed by the staff of the authority. The investigation and report may include, but is not limited to, facts about the company under consideration as its history, wage standards, job opportunities, stability of employment, past and present financial condition and structure, pro forma income statements, present and future markets and prospects,

integrity of management as well as the feasibility of the proposed product and invention to be granted financial aid, including the state of development of the product as well as the likelihood of its commercial feasibility. After receipt and consideration of the report set out in this subsection and after other action as is deemed appropriate, the application shall be approved or denied by the authority. The applicant shall be promptly notified of action by the authority. In making the decision as to approval or denial of an application, priority shall be given to those persons operating or planning to operate businesses of special importance to Washington's economy, including, but not limited to: (i) Existing resource-based industries of agriculture, forestry, and fisheries; (ii) existing advanced technology industries of electronics, computer and instrument manufacturing, computer software, and information and design; and (iii) emerging industries such as environmental technology, biotechnology, biomedical sciences, materials sciences, and optics.

(3) The authority may also develop and implement, if authorized by the legislature, such other economic development financing programs adopted in future general plans of economic development finance objectives developed under RCW 43.163.090.

(4) The authority may not issue any bonds for the programs authorized under this section after June 30, (~~2004~~) 2006.

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

Passed the House April 17, 2001.

Passed the Senate April 5, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 305

[Substitute House Bill 1450]

TAXATION—LAND TRANSFERS AFTER OWNER'S DEATH

AN ACT Relating to relief from taxes resulting from transfers of land after the death of the owner; amending RCW 84.33.120 and 84.33.140; and reenacting and amending RCW 84.34.108.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 84.33.120 and 1999 sp.s. c 4 s 702 are each amended to read as follows:

(1) In preparing the assessment rolls as of January 1, 1982, for taxes payable in 1983 and each January 1st thereafter, the assessor shall list each parcel of forest land at a value with respect to the grade and class provided in this subsection and adjusted as provided in subsection (2) of this section and shall compute the assessed value of the land by using the same assessment ratio he or she applies

generally in computing the assessed value of other property in his or her county. Values for the several grades of bare forest land shall be as follows.

LAND GRADE	OPERABILITY CLASS	VALUES PER ACRE
1	1	\$141
	2	136
	3	131
	4	95
2	1	118
	2	114
	3	110
	4	80
3	1	93
	2	90
	3	87
	4	66
4	1	70
	2	68
	3	66
	4	52
5	1	51
	2	48
	3	46
	4	31
6	1	26
	2	25
	3	25
	4	23
7	1	12
	2	12
	3	11
	4	11
8		1

(2) On or before December 31, 1981, the department shall adjust, by rule under chapter 34.05 RCW, the forest land values contained in subsection (1) of this section in accordance with this subsection, and shall certify these adjusted values to the county assessor for his or her use in preparing the assessment rolls as of January 1, 1982. For the adjustment to be made on or before December 31, 1981, for use in the 1982 assessment year, the department shall:

(a) Divide the aggregate value of all timber harvested within the state between July 1, 1976, and June 30, 1981, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 82.04.291 and 84.33.071; and

(b) Divide the aggregate value of all timber harvested within the state between July 1, 1975, and June 30, 1980, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 82.04.291 and 84.33.071; and

(c) Adjust the forest land values contained in subsection (1) of this section by a percentage equal to one-half of the percentage change in the average values of harvested timber reflected by comparing the resultant values calculated under (a) and (b) of this subsection.

For the adjustments to be made on or before December 31, 1982, and each succeeding year thereafter, the same procedure shall be followed as described in this subsection utilizing harvester excise tax returns filed under RCW 82.04.291 and this chapter except that this adjustment shall be made to the prior year's adjusted value, and the five-year periods for calculating average harvested timber values shall be successively one year more recent.

(3) In preparing the assessment roll for 1972 and each year thereafter, the assessor shall enter as the true and fair value of each parcel of forest land the appropriate grade value certified to him or her by the department of revenue, and he or she shall compute the assessed value of such land by using the same assessment ratio he or she applies generally in computing the assessed value of other property in his or her county. In preparing the assessment roll for 1975 and each year thereafter, the assessor shall assess and value as classified forest land all forest land that is not then designated pursuant to RCW 84.33.120(4) or 84.33.130 and shall make a notation of such classification upon the assessment and tax rolls. On or before January 15 of the first year in which such notation is made, the assessor shall mail notice by certified mail to the owner that such land has been classified as forest land and is subject to the compensating tax imposed by this section. If the owner desires not to have such land assessed and valued as classified forest land, he or she shall give the assessor written notice thereof on or before March 31 of such year and the assessor shall remove from the assessment and tax rolls the classification notation entered pursuant to this subsection, and shall thereafter assess and value such land in the manner provided by law other than this chapter 84.33 RCW.

(4) In any year commencing with 1972, an owner of land which is assessed and valued by the assessor other than pursuant to the procedures set forth in RCW 84.33.110 and this section, and which has, in the immediately preceding year, been assessed and valued by the assessor as forest land, may appeal to the county board of equalization by filing an application with the board in the manner prescribed in subsection (2) of RCW 84.33.130. The county board shall afford the applicant an opportunity to be heard if the application so requests and shall act upon the application in the manner prescribed in subsection (3) of RCW 84.33.130.

(5) Land that has been assessed and valued as classified forest land as of any year commencing with 1975 assessment year or earlier shall continue to be so assessed and valued until removal of classification by the assessor only upon the occurrence of one of the following events:

(a) Receipt of notice from the owner to remove such land from classification as forest land;

(b) Sale or transfer to an ownership making such land exempt from ad valorem taxation;

(c) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that, because of actions taken by the owner, such land is no longer primarily devoted to and used for growing and harvesting timber. However, land shall not be removed from classification if a governmental agency, organization, or other recipient identified in subsection (9) or (10) of this section as exempt from the payment of compensating tax has manifested its intent in writing or by other official action to acquire a property interest in classified forest land by means of a transaction that qualifies for an exemption under subsection (9) or (10) of this section. The governmental agency, organization, or recipient shall annually provide the assessor of the county in which the land is located reasonable evidence in writing of the intent to acquire the classified land as long as the intent continues or within sixty days of a request by the assessor. The assessor may not request this evidence more than once in a calendar year;

(d) Determination that a higher and better use exists for such land than growing and harvesting timber after giving the owner written notice and an opportunity to be heard;

(e) Sale or transfer of all or a portion of such land to a new owner, unless the new owner has signed a notice of forest land classification continuance, except transfer to an owner who is an heir or devisee of a deceased owner, shall not, by itself, result in removal of classification. The signed notice of continuance shall be attached to the real estate excise tax affidavit provided for in RCW 82.45.150. The notice of continuance shall be on a form prepared by the department of revenue. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all compensating taxes calculated pursuant to subsection (7) of this section shall become due and payable by the seller or transferor at time of sale. The county auditor shall not accept an instrument of conveyance of classified forest land for filing or recording unless the new owner

has signed the notice of continuance or the compensating tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (7) of this section to the county board of equalization. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals.

The assessor shall remove classification pursuant to (c) or (d) of this subsection prior to September 30 of the year prior to the assessment year for which termination of classification is to be effective. Removal of classification as forest land upon occurrence of (a), (b), (d), or (e) of this subsection shall apply only to the land affected, and upon occurrence of (c) of this subsection shall apply only to the actual area of land no longer primarily devoted to and used for growing and harvesting timber: PROVIDED, That any remaining classified forest land meets necessary definitions of forest land pursuant to RCW 84.33.100.

(6) Within thirty days after such removal of classification as forest land, the assessor shall notify the owner in writing setting forth the reasons for such removal. The owner of such land shall thereupon have the right to apply for designation of such land as forest land pursuant to subsection (4) of this section or RCW 84.33.130. The seller, transferor, or owner may appeal such removal to the county board of equalization.

(7) Unless the owner successfully applies for designation of such land or unless the removal is reversed on appeal, notation of removal from classification shall immediately be made upon the assessment and tax rolls, and commencing on January 1 of the year following the year in which the assessor made such notation, such land shall be assessed on the same basis as real property is assessed generally in that county. Except as provided in subsection (5)(e), (9), or (10) of this section and unless the assessor shall not have mailed notice of classification pursuant to subsection (3) of this section, a compensating tax shall be imposed which shall be due and payable to the county treasurer thirty days after the owner is notified of the amount of the compensating tax. As soon as possible, the assessor shall compute the amount of such compensating tax and mail notice to the owner of the amount thereof and the date on which payment is due. The amount of such compensating tax shall be equal to the difference, if any, between the amount of tax last levied on such land as forest land and an amount equal to the new assessed valuation of such land multiplied by the dollar rate of the last levy extended against such land, multiplied by a number, in no event greater than ten, equal to the number of years, commencing with assessment year 1975, for which such land was assessed and valued as forest land.

(8) Compensating tax, together with applicable interest thereon, shall become a lien on such land which shall attach at the time such land is removed from classification as forest land and shall have priority to and shall be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation or responsibility to or with which such land may become charged or liable. Such lien

may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050. Any compensating tax unpaid on its due date shall thereupon become delinquent. From the date of delinquency until paid, interest shall be charged at the same rate applied by law to delinquent ad valorem property taxes.

(9) The compensating tax specified in subsection (7) of this section shall not be imposed if the removal of classification as forest land pursuant to subsection (5) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other forest land located within the state of Washington;

(b) A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power;

(c) A donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections, or the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in chapter 79.70 RCW: PROVIDED, That at such time as the land is not used for the purposes enumerated, the compensating tax specified in subsection (7) of this section shall be imposed upon the current owner;

(d) The sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;

(e) Official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present use of such land;

(f) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; ((or))

(g) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040;

(h) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forest land, designated as forest land under this chapter, or classified under chapter 84.34 RCW continuously since 1993;

(i) The sale or transfer of land after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forest land, designated as forest land under this chapter, or classified under chapter 84.34 RCW continuously since 1993 and the sale or transfer takes place within two years after the effective date of this section and the death of the owner occurred after January 1, 1991; or

(j) The date of death shown on a death certificate is the date used for the purpose of this subsection (9).

(10) In a county with a population of more than one million inhabitants, the compensating tax specified in subsection (7) of this section shall not be imposed if the removal of classification as forest land pursuant to subsection (5) of this section resulted solely from:

(a) An action described in subsection (9) of this section; or

(b) A transfer of a property interest to a government entity, or to a nonprofit historic preservation corporation or nonprofit nature conservancy corporation, as defined in RCW 64.04.130, to protect or enhance public resources, or to preserve, maintain, improve, restore, limit the future use of, or otherwise to conserve for public use or enjoyment, the property interest being transferred. At such time as the property interest is not used for the purposes enumerated, the compensating tax shall be imposed upon the current owner.

(11) With respect to any land that has been designated prior to May 6, 1974, pursuant to RCW 84.33.120(4) or 84.33.130, the assessor may, prior to January 1, 1975, on his or her own motion or pursuant to petition by the owner, change, without imposition of the compensating tax provided under RCW 84.33.140, the status of such designated land to classified forest land.

Sec. 2. RCW 84.33.140 and 1999 sp.s. c 4 s 703 are each amended to read as follows:

(1) When land has been designated as forest land pursuant to RCW 84.33.120(4) or 84.33.130, a notation of such designation shall be made each year upon the assessment and tax rolls, a copy of the notice of approval together with the legal description or assessor's tax lot numbers for such land shall, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded, and such land shall be graded and valued pursuant to RCW 84.33.110 and 84.33.120 until removal of such designation by the assessor upon occurrence of any of the following:

(a) Receipt of notice from the owner to remove such designation;

(b) Sale or transfer to an ownership making such land exempt from ad valorem taxation;

(c) Sale or transfer of all or a portion of such land to a new owner, unless the new owner has signed a notice of forest land designation continuance, except transfer to an owner who is an heir or devisee of a deceased owner, shall not, by itself, result in removal of classification. The signed notice of continuance shall be attached to the real estate excise tax affidavit provided for in RCW 82.45.150. The notice of continuance shall be on a form prepared by the department of revenue. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all compensating taxes calculated pursuant to subsection (3) of this section shall become due and payable by the seller or transferor at time of sale. The county auditor shall not accept an instrument of conveyance of designated forest land for filing or recording unless the new owner

has signed the notice of continuance or the compensating tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (3) of this section to the county board of equalization. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;

(d) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that:

(i) Such land is no longer primarily devoted to and used for growing and harvesting timber. However, land shall not be removed from designation if a governmental agency, organization, or other recipient identified in subsection (5) or (6) of this section as exempt from the payment of compensating tax has manifested its intent in writing or by other official action to acquire a property interest in designated forest land by means of a transaction that qualifies for an exemption under subsection (5) or (6) of this section. The governmental agency, organization, or recipient shall annually provide the assessor of the county in which the land is located reasonable evidence in writing of the intent to acquire the designated land as long as the intent continues or within sixty days of a request by the assessor. The assessor may not request this evidence more than once in a calendar year;

(ii) The owner has failed to comply with a final administrative or judicial order with respect to a violation of the restocking, forest management, fire protection, insect and disease control and forest debris provisions of Title 76 RCW or any applicable regulations thereunder; or

(iii) Restocking has not occurred to the extent or within the time specified in the application for designation of such land.

Removal of designation upon occurrence of any of (a) through (c) of this subsection shall apply only to the land affected, and upon occurrence of (d) of this subsection shall apply only to the actual area of land no longer primarily devoted to and used for growing and harvesting timber, without regard to other land that may have been included in the same application and approval for designation: PROVIDED, That any remaining designated forest land meets necessary definitions of forest land pursuant to RCW 84.33.100.

(2) Within thirty days after such removal of designation of forest land, the assessor shall notify the owner in writing, setting forth the reasons for such removal. The seller, transferor, or owner may appeal such removal to the county board of equalization.

(3) Unless the removal is reversed on appeal a copy of the notice of removal with notation of the action, if any, upon appeal, together with the legal description or assessor's tax lot numbers for the land removed from designation shall, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded, and commencing on January 1 of the year following the year in which the assessor mailed such notice, such land shall be assessed on the same basis as

real property is assessed generally in that county. Except as provided in subsection (1)(c), (5), or (6) of this section, a compensating tax shall be imposed which shall be due and payable to the county treasurer thirty days after the owner is notified of the amount of the compensating tax. As soon as possible, the assessor shall compute the amount of such compensating tax and mail notice to the owner of the amount thereof and the date on which payment is due. The amount of such compensating tax shall be equal to the difference between the amount of tax last levied on such land as forest land and an amount equal to the new assessed valuation of such land multiplied by the dollar rate of the last levy extended against such land, multiplied by a number, in no event greater than ten, equal to the number of years for which such land was designated as forest land.

(4) Compensating tax, together with applicable interest thereon, shall become a lien on such land which shall attach at the time such land is removed from designation as forest land and shall have priority to and shall be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation or responsibility to or with which such land may become charged or liable. Such lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050. Any compensating tax unpaid on its due date shall thereupon become delinquent. From the date of delinquency until paid, interest shall be charged at the same rate applied by law to delinquent ad valorem property taxes.

(5) The compensating tax specified in subsection (3) of this section shall not be imposed if the removal of designation pursuant to subsection (1) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other forest land located within the state of Washington;

(b) A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power;

(c) A donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections, or the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in chapter 79.70 RCW: PROVIDED, That at such time as the land is not used for the purposes enumerated, the compensating tax specified in subsection (3) of this section shall be imposed upon the current owner;

(d) The sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;

(e) Official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present use of such land;

(f) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; ~~((or))~~

(g) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040;

(h) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forest land, designated as forest land under this chapter, or classified under chapter 84.34 RCW continuously since 1993;

(i) The sale or transfer of land after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forest land, designated as forest land under this chapter, or classified under chapter 84.34 RCW continuously since 1993 and the sale or transfer takes place within two years after the effective date of this section and the death of the owner occurred after January 1, 1991; or

(j) The date of death shown on a death certificate is the date used for the purpose of this subsection (5).

(6) In a county with a population of more than one million inhabitants, the compensating tax specified in subsection (3) of this section shall not be imposed if the removal of classification as forest land pursuant to subsection (1) of this section resulted solely from:

(a) An action described in subsection (5) of this section; or

(b) A transfer of a property interest to a government entity, or to a nonprofit historic preservation corporation or nonprofit nature conservancy corporation, as defined in RCW 64.04.130, to protect or enhance public resources, or to preserve, maintain, improve, restore, limit the future use of, or otherwise to conserve for public use or enjoyment, the property interest being transferred. At such time as the property interest is not used for the purposes enumerated, the compensating tax shall be imposed upon the current owner.

Sec. 3. RCW 84.34.108 and 1999 sp.s. c 4 s 706 and 1999 c 233 s 22 are each reenacted and amended to read as follows:

(1) When land has once been classified under this chapter, a notation of such classification shall be made each year upon the assessment and tax rolls and such land shall be valued pursuant to RCW 84.34.060 or 84.34.065 until removal of all or a portion of such classification by the assessor upon occurrence of any of the following:

(a) Receipt of notice from the owner to remove all or a portion of such classification;

(b) Sale or transfer to an ownership, except a transfer that resulted from a default in loan payments made to or secured by a governmental agency that intends to or is required by law or regulation to resell the property for the same use as before, making all or a portion of such land exempt from ad valorem taxation;

(c) Sale or transfer of all or a portion of such land to a new owner, unless the new owner has signed a notice of classification continuance, except transfer to an owner who is an heir or devisee of a deceased owner shall not, by itself, result in removal of classification. The notice of continuance shall be on a form prepared by the department of revenue. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all additional taxes calculated pursuant to subsection (4) of this section shall become due and payable by the seller or transferor at time of sale. The county auditor shall not accept an instrument of conveyance of classified land for filing or recording unless the new owner has signed the notice of continuance or the additional tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (4) of this section to the county board of equalization. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;

(d) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that all or a portion of such land no longer meets the criteria for classification under this chapter. The criteria for classification pursuant to this chapter continue to apply after classification has been granted.

The granting authority, upon request of an assessor, shall provide reasonable assistance to the assessor in making a determination whether such land continues to meet the qualifications of RCW 84.34.020 (1) or (3). The assistance shall be provided within thirty days of receipt of the request.

(2) Land may not be removed from classification because of:

(a) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or

(b) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

(3) Within thirty days after such removal of all or a portion of such land from current use classification, the assessor shall notify the owner in writing, setting forth the reasons for such removal. The seller, transferor, or owner may appeal such removal to the county board of equalization.

(4) Unless the removal is reversed on appeal, the assessor shall revalue the affected land with reference to full market value on the date of removal from classification. Both the assessed valuation before and after the removal of classification shall be listed and taxes shall be allocated according to that part of the year to which each assessed valuation applies. Except as provided in subsection (6) of this section, an additional tax, applicable interest, and penalty shall be imposed which shall be due and payable to the county treasurer thirty days after the owner is notified of the amount of the additional tax. As soon as possible, the assessor shall compute the amount of such an additional tax, applicable interest, and penalty and the treasurer shall mail notice to the owner of the amount thereof

and the date on which payment is due. The amount of such additional tax, applicable interest, and penalty shall be determined as follows:

(a) The amount of additional tax shall be equal to the difference between the property tax paid as "open space land", "farm and agricultural land", or "timber land" and the amount of property tax otherwise due and payable for the seven years last past had the land not been so classified;

(b) The amount of applicable interest shall be equal to the interest upon the amounts of such additional tax paid at the same statutory rate charged on delinquent property taxes from the dates on which such additional tax could have been paid without penalty if the land had been assessed at a value without regard to this chapter;

(c) The amount of the penalty shall be as provided in RCW 84.34.080. The penalty shall not be imposed if the removal satisfies the conditions of RCW 84.34.070.

(5) Additional tax, applicable interest, and penalty, shall become a lien on such land which shall attach at the time such land is removed from classification under this chapter and shall have priority to and shall be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation or responsibility to or with which such land may become charged or liable. Such lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050 now or as hereafter amended. Any additional tax unpaid on its due date shall thereupon become delinquent. From the date of delinquency until paid, interest shall be charged at the same rate applied by law to delinquent ad valorem property taxes.

(6) The additional tax, applicable interest, and penalty specified in subsection (4) of this section shall not be imposed if the removal of classification pursuant to subsection (1) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other land located within the state of Washington;

(b)(i) A taking through the exercise of the power of eminent domain, or (ii) sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power, said entity having manifested its intent in writing or by other official action;

(c) A natural disaster such as a flood, windstorm, earthquake, or other such calamity rather than by virtue of the act of the landowner changing the use of such property;

(d) Official action by an agency of the state of Washington or by the county or city within which the land is located which disallows the present use of such land;

(e) Transfer of land to a church when such land would qualify for exemption pursuant to RCW 84.36.020;

(f) Acquisition of property interests by state agencies or agencies or organizations qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections: PROVIDED, That at such time as these property interests are not used for the purposes enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified in subsection (4) of this section shall be imposed;

(g) Removal of land classified as farm and agricultural land under RCW 84.34.020(2)(d);

(h) Removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;

(i) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; ((or))

(j) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040;

(k) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forest land, designated as forest land under chapter 84.33 RCW, or classified under this chapter continuously since 1993;

(l) The sale or transfer of land after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forest land, designated as forest land under chapter 84.33 RCW, or classified under this chapter continuously since 1993 and the sale or transfer takes place within two years after the effective date of this section and the death of the owner occurred after January 1, 1991; or

(m) The date of death shown on a death certificate is the date used for the purpose of this subsection (6).

Passed the House March 13, 2001.

Passed the Senate April 19, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 306

[Substitute House Bill 1498]

HUNTING AND FISHING LICENSES--IDENTIFICATION

AN ACT Relating to photo identification required for hunting and fishing licenses; and amending RCW 77.15.080 and 77.32.420.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 77.15.080 and 2000 c 107 s 233 are each amended to read as follows:

Based upon articulable facts that a person is engaged in fishing or hunting activities, fish and wildlife officers have the authority to temporarily stop the

person and check for valid licenses, tags, permits, stamps, or catch record cards, and to inspect all fish and wildlife in possession as well as the equipment being used to ensure compliance with the requirements of this title. For licenses purchased over the internet or telephone, fish and wildlife officers may require the person, if age eighteen or older, to exhibit a driver's license or other photo identification.

Sec. 2. RCW 77.32.420 and 2000 c 107 s 272 are each amended to read as follows:

Recreational licenses are not transferable. Upon request of a fish and wildlife officer, ex officio fish and wildlife officer, or authorized fish and wildlife employee, a person hunting for game animals and furbearers, digging for, fishing for, or possessing shellfish, or seaweed or fishing for or possessing food fish or game fish for personal use shall exhibit the required recreational license and write his or her signature for comparison with the signature on the license. A person who has purchased a license over the internet or by telephone may be required to also exhibit a valid driver's license, or other photo identification, if age eighteen or older. Failure to comply with the request is prima facie evidence that the person does not have a license or is not the person named on the license.

Passed the House March 1, 2001.

Passed the Senate April 18, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 307

[Substitute House Bill 1501]

CORPORATION REPORTS—ELECTRONIC FILING

AN ACT Relating to electronic filing of corporation and limited liability company annual reports; amending RCW 23B.16.220, 25.15.105, 25.15.085, and 25.15.095; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 23B.16.220 and 1993 c 290 s 5 are each amended to read as follows:

(1) Each domestic corporation, and each foreign corporation authorized to transact business in this state, shall deliver to the secretary of state for filing initial and annual reports that set forth:

(a) The name of the corporation and the state or country under whose law it is incorporated;

(b) The street address of its registered office and the name of its registered agent at that office in this state;

(c) In the case of a foreign corporation, the address of its principal office in the state or country under the laws of which it is incorporated;

(d) The address of the principal place of business of the corporation in this state;

(e) The names and addresses of its directors, if the corporation has dispensed with or limited the authority of its board of directors pursuant to RCW 23B.08.010, in an agreement authorized under RCW 23B.07.320, or analogous authority, the names and addresses of persons who will perform some or all of the duties of the board of directors;

(f) A brief description of the nature of its business; and

(g) The names and addresses of its chairperson of the board of directors, if any, president, secretary, and treasurer, or of individuals, however designated, performing the functions of such officers.

(2) Information in an initial report or an annual report must be current as of the date the report is executed on behalf of the corporation.

(3) A corporation's initial report must be delivered to the secretary of state within one hundred twenty days of the date on which the articles of incorporation for a domestic corporation were filed, or on which a foreign corporation's certificate of authority was filed. Subsequent annual reports must be delivered to the secretary of state on, or prior to, the date on which the domestic or foreign corporation is required to pay its annual corporate license fee, and at such additional times as the corporation elects.

(4)(a) The secretary of state may allow a corporation to file an annual report through electronic means. If allowed, the secretary of state shall adopt rules detailing the circumstances under which the electronic filing of such reports shall be permitted and how such reports may be filed.

(b) For purposes of this section only, a person executing an electronically filed annual report may deliver the report to the office of the secretary of state without a signature and without an exact or conformed copy, but the person's name must appear in the electronic filing as the person executing the filing, and the filing must state the capacity in which the person is executing the filing.

Sec. 2. RCW 25.15.105 and 1994 c 211 s 208 are each amended to read as follows:

(1) Each domestic limited liability company, and each foreign limited liability company authorized to transact business in this state, shall deliver to the secretary of state for filing, both initial and annual reports that set forth:

(a) The name of the company and the state or country under whose law it is organized;

(b) The street address of its registered office and the name of its registered agent at that office in this state;

(c) In the case of a foreign company, the address of its principal office in the state or country under the laws of which it is organized;

(d) The address of the principal place of business of the company in this state;

(e) The names and addresses of the company's members, or if the management of the company is vested in a manager or managers, then the name and address of its manager or managers; and

(f) A brief description of the nature of its business.

(2) Information in an initial report or an annual report must be current as of the date the report is executed on behalf of the company.

(3) A company's initial report must be delivered to the secretary of state within one hundred twenty days of the date on which a domestic company's certificate of formation was filed, or on which a foreign company's application for registration was submitted. Subsequent annual reports must be delivered to the secretary of state on a date determined by the secretary of state, and at such additional times as the company elects.

(4)(a) The secretary of state may allow a company to file an annual report through electronic means. If allowed, the secretary of state shall adopt rules detailing the circumstances under which the electronic filing of such reports shall be permitted and how such reports may be filed.

(b) For purposes of this section only, a person executing an electronically filed annual report may deliver the report to the office of the secretary of state without a signature and without an exact or conformed copy, but the person's name must appear in the electronic filing as the person executing the filing, and the filing must state the capacity in which the person is executing the filing.

Sec. 3. RCW 25.15.085 and 1995 c 337 s 16 are each amended to read as follows:

(1) Each document required by this chapter to be filed in the office of the secretary of state shall be executed in the following manner, except as set forth in RCW 25.15.105(4)(b):

(a) Each original certificate of formation must be signed by the person or persons forming the limited liability company;

(b) A reservation of name may be signed by any person;

(c) A transfer of reservation of name must be signed by, or on behalf of, the applicant for the reserved name;

(d) A registration of name must be signed by any member or manager of the foreign limited liability company;

(e) A certificate of amendment or restatement must be signed by at least one manager, or by a member if management of the limited liability company is reserved to the members;

(f) A certificate of cancellation must be signed by the person or persons authorized to wind up the limited liability company's affairs pursuant to RCW 25.15.295(1);

(g) If a surviving domestic limited liability company is filing articles of merger, the articles of merger must be signed by at least one manager, or by a member if management of the limited liability company is reserved to the members, or if the articles of merger are being filed by a surviving foreign limited

liability company, limited partnership, or corporation, the articles of merger must be signed by a person authorized by such foreign limited liability company, limited partnership, or corporation; and

(h) A foreign limited liability company's application for registration as a foreign limited liability company doing business within the state must be signed by any member or manager of the foreign limited liability company.

(2) Any person may sign a certificate, articles of merger, limited liability company agreement, or other document by an attorney-in-fact or other person acting in a valid representative capacity, so long as each document signed in such manner identifies the capacity in which the signator signed.

(3) The person executing the document shall sign it and state beneath or opposite the signature the name of the person and capacity in which the person signs. The document must be typewritten or printed, and must meet such legibility or other standards as may be prescribed by the secretary of state.

(4) The execution of a certificate or articles of merger by any person constitutes an affirmation under the penalties of perjury that the facts stated therein are true.

Sec. 4. RCW 25.15.095 and 1994 c 211 s 206 are each amended to read as follows:

(1) The original signed copy, together with a duplicate copy that may be either a signed, photocopied, or conformed copy, of the certificate of formation or any other document required to be filed pursuant to this chapter, except as set forth under RCW 25.15.105, shall be delivered to the secretary of state. If the secretary of state determines that the documents conform to the filing provisions of this chapter, he or she shall, when all required filing fees have been paid:

(a) Endorse on each signed original and duplicate copy the word "filed" and the date of its acceptance for filing;

(b) Retain the signed original in the secretary of state's files; and

(c) Return the duplicate copy to the person who filed it or the person's representative.

(2) If the secretary of state is unable to make the determination required for filing by subsection (1) of this section at the time any documents are delivered for filing, the documents are deemed to have been filed at the time of delivery if the secretary of state subsequently determines that:

(a) The documents as delivered conform to the filing provisions of this chapter; or

(b) Within twenty days after notification of nonconformance is given by the secretary of state to the person who delivered the documents for filing or the person's representative, the documents are brought into conformance.

(3) If the filing and determination requirements of this chapter are not satisfied completely within the time prescribed in subsection (2)(b) of this section, the documents shall not be filed.

(4) Upon the filing of a certificate of amendment (or judicial decree of amendment) or restated certificate in the office of the secretary of state, or upon the future effective date or time of a certificate of amendment (or judicial decree thereof) or restated certificate, as provided for therein, the certificate of formation shall be amended or restated as set forth therein. Upon the filing of a certificate of cancellation (or a judicial decree thereof), or articles of merger which act as a certificate of cancellation, or upon the future effective date or time of a certificate of cancellation (or a judicial decree thereof) or of articles of merger which act as a certificate of cancellation, as provided for therein, or as specified in RCW 25.15.290, the certificate of formation is canceled.

NEW SECTION. Sec. 5. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect May 1, 2001.

Passed the House March 1, 2001.

Passed the Senate April 11, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 308

[House Bill 1564]

OBSTRUCTING GOVERNMENTAL OPERATIONS

AN ACT Relating to obstructing governmental operations; reenacting RCW 9A.76.175 and 9A.76.020; creating a new section; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The purpose of this act is to respond to *State v. Thomas*, 103 Wn. App. 800, by reenacting, without changes, the law prohibiting materially false or misleading statements to public servants, enacted as sections 32 and 33, chapter 285, Laws of 1995.

Sec. 2. RCW 9A.76.175 and 1995 c 285 s 32 are each reenacted to read as follows:

A person who knowingly makes a false or misleading material statement to a public servant is guilty of a gross misdemeanor. "Material statement" means a written or oral statement reasonably likely to be relied upon by a public servant in the discharge of his or her official powers or duties.

Sec. 3. RCW 9A.76.020 and 1995 c 285 s 33 are each reenacted to read as follows:

(1) A person is guilty of obstructing a law enforcement officer if the person willfully hinders, delays, or obstructs any law enforcement officer in the discharge of his or her official powers or duties.

(2) "Law enforcement officer" means any general authority, limited authority, or specially commissioned Washington peace officer or federal peace officer as

those terms are defined in RCW 10.93.020, and other public officers who are responsible for enforcement of fire, building, zoning, and life and safety codes.

(3) Obstructing a law enforcement officer is a gross misdemeanor.

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

Passed the House April 16, 2001.

Passed the Senate April 6, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 309

[House Bill 1567]

ABSTRACTS OF DRIVING RECORDS—MISUSE

AN ACT Relating to penalties for the misuse of abstracts of driving records; amending RCW 46.52.130; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.52.130 and 1998 c 165 s 11 are each amended to read as follows:

A certified abstract of the driving record shall be furnished only to the individual named in the abstract, an employer or prospective employer or an agent acting on behalf of an employer or prospective employer, the insurance carrier that has insurance in effect covering the employer or a prospective employer, the insurance carrier that has insurance in effect covering the named individual, the insurance carrier to which the named individual has applied, an alcohol/drug assessment or treatment agency approved by the department of social and health services, to which the named individual has applied or been assigned for evaluation or treatment, or city and county prosecuting attorneys. City attorneys and county prosecuting attorneys may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment. The director, upon proper request, shall furnish a certified abstract covering the period of not more than the last three years to insurance companies. Upon proper request, the director shall furnish a certified abstract covering a period of not more than the last five years to state approved alcohol/drug assessment or treatment agencies, except that the certified abstract shall also include records of alcohol-related offenses as defined in RCW 46.01.260(2) covering a period of not more than the last ten years. Upon proper request, a certified abstract of the full driving record maintained by the department shall be furnished to a city or county prosecuting attorney, to the individual named in the abstract or to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual. The abstract, whenever possible, shall include

an enumeration of motor vehicle accidents in which the person was driving; the total number of vehicles involved; whether the vehicles were legally parked or moving; whether the vehicles were occupied at the time of the accident; whether the accident resulted in any fatality; any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law; and the status of the person's driving privilege in this state. The enumeration shall include any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer. Certified abstracts furnished to prosecutors and alcohol/drug assessment or treatment agencies shall also indicate whether a recorded violation is an alcohol-related offense as defined in RCW 46.01.260(2) that was originally charged as one of the alcohol-related offenses designated in RCW 46.01.260(2)(b)(i).

The abstract provided to the insurance company shall exclude any information, except that related to the commission of misdemeanors or felonies by the individual, pertaining to law enforcement officers or fire fighters as defined in RCW 41.26.030, or any officer of the Washington state patrol, while driving official vehicles in the performance of occupational duty. The abstract provided to the insurance company shall include convictions for RCW 46.61.5249 and 46.61.525 except that the abstract shall report them only as negligent driving without reference to whether they are for first or second degree negligent driving. The abstract provided to the insurance company shall exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract shall show the deferred prosecution as well as the removal.

The director shall collect for each abstract the sum of four dollars and fifty cents which shall be deposited in the highway safety fund.

Any insurance company or its agent receiving the certified abstract shall use it exclusively for its own underwriting purposes and shall not divulge any of the information contained in it to a third party. No policy of insurance may be canceled, nonrenewed, denied, or have the rate increased on the basis of such information unless the policyholder was determined to be at fault. No insurance company or its agent for underwriting purposes relating to the operation of commercial motor vehicles may use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment, nor may any insurance company or its agent for underwriting purposes relating to the operation of noncommercial motor vehicles use any information contained in the abstract relative to any person's operation of commercial motor vehicles.

Any employer or prospective employer or an agent acting on behalf of an employer or prospective employer receiving the certified abstract shall use it exclusively for his or her own purpose to determine whether the licensee should be permitted to operate a commercial vehicle or school bus upon the public

highways of this state and shall not divulge any information contained in it to a third party.

Any alcohol/drug assessment or treatment agency approved by the department of social and health services receiving the certified abstract shall use it exclusively for the purpose of assisting its employees in making a determination as to what level of treatment, if any, is appropriate. The agency, or any of its employees, shall not divulge any information contained in the abstract to a third party.

Release of a certified abstract of the driving record of an employee or prospective employee requires a statement signed by: (1) The employee or prospective employee that authorizes the release of the record, and (2) the employer attesting that the information is necessary to determine whether the licensee should be employed to operate a commercial vehicle or school bus upon the public highways of this state. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

Any negligent violation of this section is a gross misdemeanor.

Any intentional violation of this section is a class C felony.

Passed the House April 18, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 310

[House Bill 1579]

UNLAWFUL PRACTICE OF LAW

AN ACT Relating to the wrongful practice of law; reenacting and amending RCW 9.94A.320; reenacting RCW 2.48.180 and 9.12.010; creating a new section; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The purpose of this act is to respond to *State v. Thomas*, 103 Wn. App. 800, by reenacting and ranking, without changes, legislation relating to the crime of unlawful practice of law, enacted as sections 26 and 27, chapter 285, Laws of 1995.

Sec. 2. RCW 2.48.180 and 1995 c 285 s 26 are each reenacted to read as follows:

(1) As used in this section:

(a) "Legal provider" means an active member in good standing of the state bar, and any other person authorized by the Washington state supreme court to engage in full or limited practice of law;

(b) "Nonlawyer" means a person to whom the Washington supreme court has granted a limited authorization to practice law but who practices law outside that authorization, and a person who is not an active member in good standing of the state bar, including persons who are disbarred or suspended from membership;

(c) "Ownership interest" means the right to control the affairs of a business, or the right to share in the profits of a business, and includes a loan to the business when the interest on the loan is based upon the income of the business or the loan carries more than a commercially reasonable rate of interest.

(2) The following constitutes unlawful practice of law:

(a) A nonlawyer practices law, or holds himself or herself out as entitled to practice law;

(b) A legal provider holds an investment or ownership interest in a business primarily engaged in the practice of law, knowing that a nonlawyer holds an investment or ownership interest in the business;

(c) A nonlawyer knowingly holds an investment or ownership interest in a business primarily engaged in the practice of law;

(d) A legal provider works for a business that is primarily engaged in the practice of law, knowing that a nonlawyer holds an investment or ownership interest in the business; or

(e) A nonlawyer shares legal fees with a legal provider.

(3) Unlawful practice of law is a crime. A single violation of this section is a gross misdemeanor. Each subsequent violation, whether alleged in the same or in subsequent prosecutions, is a class C felony.

(4) Nothing contained in this section affects the power of the courts to grant injunctive or other equitable relief or to punish as for contempt.

(5) Whenever a legal provider or a person licensed by the state in a business or profession is convicted, enjoined, or found liable for damages or a civil penalty or other equitable relief under this section, the plaintiff's attorney shall provide written notification of the judgment to the appropriate regulatory or disciplinary body or agency.

(6) A violation of this section is cause for discipline and constitutes unprofessional conduct that could result in any regulatory penalty provided by law, including refusal, revocation, or suspension of a business or professional license, or right or admission to practice. Conduct that constitutes a violation of this section is unprofessional conduct in violation of RCW 18.130.180.

(7) In a proceeding under this section it is a defense if proven by the defendant by a preponderance of the evidence that, at the time of the offense, the conduct alleged was authorized by the rules of professional conduct or the admission to practice rules, or Washington business and professions licensing statutes or rules.

(8) Independent of authority granted to the attorney general, the prosecuting attorney may petition the superior court for an injunction against a person who has violated this chapter. Remedies in an injunctive action brought by a prosecuting attorney are limited to an order enjoining, restraining, or preventing the doing of any act or practice that constitutes a violation of this chapter and imposing a civil penalty of up to five thousand dollars for each violation. The prevailing party in the action may, in the discretion of the court, recover its reasonable investigative costs and the costs of the action including a reasonable attorney's fee. The degree

of proof required in an action brought under this subsection is a preponderance of the evidence. An action under this subsection must be brought within three years after the violation of this chapter occurred.

Sec. 3. RCW 9.12.010 and 1995 c 285 s 27 are each reenacted to read as follows:

Every person who brings on his or her own behalf, or instigates, incites, or encourages another to bring, any false suit at law or in equity in any court of this state, with intent thereby to distress or harass a defendant in the suit, or who serves or sends any paper or document purporting to be or resembling a judicial process, that is not in fact a judicial process, is guilty of a misdemeanor; and in case the person offending is an attorney, he or she may, in addition thereto be disbarred from practicing law within this state.

Sec. 4. RCW 9.94A.320 and 2000 c 225 s 5, 2000 c 119 s 17, and 2000 c 66 s 2 are each reenacted and amended to read as follows:

TABLE 2

CRIMES INCLUDED WITHIN EACH SERIOUSNESS LEVEL

XVI	Aggravated Murder 1 (RCW 10.95.020)
XV	Homicide by abuse (RCW 9A.32.055) Malicious explosion 1 (RCW 70.74.280(1)) Murder 1 (RCW 9A.32.030)
XIV	Murder 2 (RCW 9A.32.050)
XIII	Malicious explosion 2 (RCW 70.74.280(2)) Malicious placement of an explosive 1 (RCW 70.74.270(1))
XII	Assault 1 (RCW 9A.36.011) Assault of a Child 1 (RCW 9A.36.120) Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a)) Rape 1 (RCW 9A.44.040) Rape of a Child 1 (RCW 9A.44.073)
XI	Manslaughter 1 (RCW 9A.32.060) Rape 2 (RCW 9A.44.050) Rape of a Child 2 (RCW 9A.44.076)
X	Child Molestation 1 (RCW 9A.44.083) Indecent Liberties (with forcible compulsion) (RCW 9A.44.100(1)(a)) Kidnapping 1 (RCW 9A.40.020) Leading Organized Crime (RCW 9A.82.060(1)(a)) Malicious explosion 3 (RCW 70.74.280(3))

- Manufacture of methamphetamine (RCW 69.50.401(a)(1)(ii))
- Over 18 and deliver heroin, methamphetamine, a narcotic from Schedule I or II, or flunitrazepam from Schedule IV to someone under 18 (RCW 69.50.406)
- IX Assault of a Child 2 (RCW 9A.36.130)
- Controlled Substance Homicide (RCW 69.50.415)
- Explosive devices prohibited (RCW 70.74.180)
- Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050)
- Inciting Criminal Profiteering (RCW 9A.82.060(1)(b))
- Malicious placement of an explosive 2 (RCW 70.74.270(2))
- Over 18 and deliver narcotic from Schedule III, IV, or V or a nonnarcotic, except flunitrazepam or methamphetamine, from Schedule I-V to someone under 18 and 3 years junior (RCW 69.50.406)
- Robbery 1 (RCW 9A.56.200)
- Sexual Exploitation (RCW 9.68A.040)
- Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520)
- VIII Arson 1 (RCW 9A.48.020)
- Deliver or possess with intent to deliver methamphetamine (RCW 69.50.401(a)(1)(ii))
- Hit and Run—Death (RCW 46.52.020(4)(a))
- Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050)
- Manslaughter 2 (RCW 9A.32.070)
- Manufacture, deliver, or possess with intent to deliver amphetamine (RCW 69.50.401(a)(1)(ii))
- Manufacture, deliver, or possess with intent to deliver heroin or cocaine (RCW 69.50.401(a)(1)(i))

- Possession of Ephedrine, Pseudoephedrine, or Anhydrous Ammonia with intent to manufacture methamphetamine (RCW 69.50.440)
- Promoting Prostitution 1 (RCW 9A.88.070)
- Selling for profit (controlled or counterfeit) any controlled substance (RCW 69.50.410)
- Theft of Anhydrous Ammonia (RCW 69.55.010)
- Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520)
- VII
 - Burglary I (RCW 9A.52.020)
 - Child Molestation 2 (RCW 9A.44.086)
 - Dealing in depictions of minor engaged in sexually explicit conduct (RCW 9.68A.050)
 - Drive-by Shooting (RCW 9A.36.045)
 - Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050)
 - Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c))
 - Introducing Contraband 1 (RCW 9A.76.140)
 - Involving a minor in drug dealing (RCW 69.50.401(f))
 - Malicious placement of an explosive 3 (RCW 70.74.270(3))
 - Sending, bringing into state depictions of minor engaged in sexually explicit conduct (RCW 9.68A.060)
 - Unlawful Possession of a Firearm in the first degree (RCW 9A.41.040(1)(a))
 - Use of a Machine Gun in Commission of a Felony (RCW 9A.41.225)
 - Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520)
- VI
 - Bail Jumping with Murder 1 (RCW 9A.76.170(2)(a))
 - Bribery (RCW 9A.68.010)
 - Incest 1 (RCW 9A.64.020(1))
 - Intimidating a Judge (RCW 9A.72.160)

- Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130)
- Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b))
- Manufacture, deliver, or possess with intent to deliver narcotics from Schedule I or II (except heroin or cocaine) or flunitrazepam from Schedule IV (RCW 69.50.401(a)(1)(i))
- Rape of a Child 3 (RCW 9A.44.079)
- Theft of a Firearm (RCW 9A.56.300)
- Unlawful Storage of Anhydrous Ammonia (RCW 69.55.020)
- V Abandonment of dependent person 1 (RCW 9A.42.060)
- Advancing money or property for extortionate extension of credit (RCW 9A.82.030)
- Bail Jumping with class A Felony (RCW 9A.76.170(2)(b))
- Child Molestation 3 (RCW 9A.44.089)
- Criminal Mistreatment 1 (RCW 9A.42.020)
- Custodial Sexual Misconduct 1 (RCW 9A.44.160)
- Delivery of imitation controlled substance by person eighteen or over to person under eighteen (RCW 69.52.030(2))
- Domestic Violence Court Order Violation (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, 26.26.138, 26.50.110, 26.52.070, or 74.34.145)
- Extortion 1 (RCW 9A.56.120)
- Extortionate Extension of Credit (RCW 9A.82.020)
- Extortionate Means to Collect Extensions of Credit (RCW 9A.82.040)
- Incest 2 (RCW 9A.64.020(2))
- Kidnapping 2 (RCW 9A.40.030)
- Perjury 1 (RCW 9A.72.020)
- Persistent prison misbehavior (RCW 9.94.070)
- Possession of a Stolen Firearm (RCW 9A.56.310)
- Rape 3 (RCW 9A.44.060)

- Rendering Criminal Assistance 1 (RCW 9A.76.070)
- Sexual Misconduct with a Minor 1 (RCW 9A.44.093)
- Sexually Violating Human Remains (RCW 9A.44.105)
- Stalking (RCW 9A.46.110)
- IV Arson 2 (RCW 9A.48.030)
- Assault 2 (RCW 9A.36.021)
- Assault by Watercraft (RCW 79A.60.060)
- Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100)
- Commercial Bribery (RCW 9A.68.060)
- Counterfeiting (RCW 9.16.035(4))
- Escape 1 (RCW 9A.76.110)
- Hit and Run—Injury (RCW 46.52.020(4)(b))
- Hit and Run with Vessel—Injury Accident (RCW 79A.60.200(3))
- Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010)
- Influencing Outcome of Sporting Event (RCW 9A.82.070)
- Knowingly Trafficking in Stolen Property (RCW 9A.82.050(2))
- Malicious Harassment (RCW 9A.36.080)
- Manufacture, deliver, or possess with intent to deliver narcotics from Schedule III, IV, or V or nonnarcotics from Schedule I-V (except marijuana, amphetamine, methamphetamines, or flunitrazepam) (RCW 69.50.401(a)(1) (iii) through (v))
- Residential Burglary (RCW 9A.52.025)
- Robbery 2 (RCW 9A.56.210)
- Theft of Livestock 1 (RCW 9A.56.080)
- Threats to Bomb (RCW 9.61.160)
- Use of Proceeds of Criminal Profiteering (RCW 9A.82.080 (1) and (2))
- Vehicular Assault (RCW 46.61.522)
- Willful Failure to Return from Furlough (RCW 72.66.060)
- III Abandonment of dependent person 2 (RCW 9A.42.070)

Assault 3 (RCW 9A.36.031)
Assault of a Child 3 (RCW 9A.36.140)
Bail Jumping with class B or C Felony (RCW 9A.76.170(2)(c))
Burglary 2 (RCW 9A.52.030)
Communication with a Minor for Immoral Purposes (RCW 9.68A.090)
Criminal Gang Intimidation (RCW 9A.46.120)
Criminal Mistreatment 2 (RCW 9A.42.030)
Custodial Assault (RCW 9A.36.100)
Delivery of a material in lieu of a controlled substance (RCW 69.50.401(c))
Escape 2 (RCW 9A.76.120)
Extortion 2 (RCW 9A.56.130)
Harassment (RCW 9A.46.020)
Intimidating a Public Servant (RCW 9A.76.180)
Introducing Contraband 2 (RCW 9A.76.150)
Maintaining a Dwelling or Place for Controlled Substances (RCW 69.50.402(a)(6))
Malicious Injury to Railroad Property (RCW 81.60.070)
Manufacture, deliver, or possess with intent to deliver marijuana (RCW 69.50.401(a)(1)(iii))
Manufacture, distribute, or possess with intent to distribute an imitation controlled substance (RCW 69.52.030(1))
Patronizing a Juvenile Prostitute (RCW 9.68A.100)
Perjury 2 (RCW 9A.72.030)
Possession of Incendiary Device (RCW 9.40.120)
Possession of Machine Gun or Short-Barreled Shotgun or Rifle (RCW 9.41.190)
Promoting Prostitution 2 (RCW 9A.88.080)
Recklessly Trafficking in Stolen Property (RCW 9A.82.050(1))
Securities Act violation (RCW 21.20.400)
Tampering with a Witness (RCW 9A.72.120)
Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230)
Theft of Livestock 2 (RCW 9A.56.080)

- Unlawful Imprisonment (RCW 9A.40.040)
- Unlawful possession of firearm in the second degree (RCW 9A.41.040(1)(b))
- Unlawful Use of Building for Drug Purposes (RCW 69.53.010)
- Willful Failure to Return from Work Release (RCW 72.65.070)
- II
 - Computer Trespass I (RCW 9A.52.110)
 - Counterfeiting (RCW 9.16.035(3))
 - Create, deliver, or possess a counterfeit controlled substance (RCW 69.50.401(b))
 - Escape from Community Custody (RCW 72.09.310)
 - Health Care False Claims (RCW 48.80.030)
 - Malicious Mischief I (RCW 9A.48.070)
 - Possession of controlled substance that is either heroin or narcotics from Schedule I or II or flunitrazepam from Schedule IV (RCW 69.50.401(d))
 - Possession of phencyclidine (PCP) (RCW 69.50.401(d))
 - Possession of Stolen Property I (RCW 9A.56.150)
 - Theft I (RCW 9A.56.030)
 - Theft of Rental, Leased, or Lease-purchased Property (valued at one thousand five hundred dollars or more) (RCW 9A.56.096(4))
 - Trafficking in Insurance Claims (RCW 48.30A.015)
 - Unlawful Practice of Law (RCW 2.48.180 as reenacted by this act)
 - Unlicensed Practice of a Profession or Business (RCW 18.130.190(7))
- I
 - Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024)
 - False Verification for Welfare (RCW 74.08.055)
 - Forged Prescription (RCW 69.41.020)
 - Forged Prescription for a Controlled Substance (RCW 69.50.403)
 - Forgery (RCW 9A.60.020)
 - Malicious Mischief 2 (RCW 9A.48.080)

Possess Controlled Substance that is a Narcotic from Schedule III, IV, or V or Non-narcotic from Schedule I-V (except phencyclidine or flunitrazepam) (RCW 69.50.401(d))

Possession of Stolen Property 2 (RCW 9A.56.160)

Reckless Burning 1 (RCW 9A.48.040)

Taking Motor Vehicle Without Permission (RCW 9A.56.070)

Theft 2 (RCW 9A.56.040)

Theft of Rental, Leased, or Lease-purchased Property (valued at two hundred fifty dollars or more but less than one thousand five hundred dollars) (RCW 9A.56.096(4))

Unlawful Issuance of Checks or Drafts (RCW 9A.56.060)

Unlawful Use of Food Stamps (RCW 9.91.140 (2) and (3))

Vehicle Prowl 1 (RCW 9A.52.095)

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

Passed the House April 18, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 311

[Substitute House Bill 1591]

ANTI-HARASSMENT PROTECTION ORDERS

AN ACT Relating to service of orders in harassment matters; and amending RCW 10.14.080 and 10.14.100.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 10.14.080 and 1995 c 246 s 36 are each amended to read as follows:

(1) Upon filing a petition for a civil antiharassment protection order under this chapter, the petitioner may obtain an ex parte temporary antiharassment protection order. An ex parte temporary antiharassment protection order may be granted with or without notice upon the filing of an affidavit which, to the satisfaction of the court, shows reasonable proof of unlawful harassment of the petitioner by the

respondent and that great or irreparable harm will result to the petitioner if the temporary antiharassment protection order is not granted.

(2) An ex parte temporary antiharassment protection order shall be effective for a fixed period not to exceed fourteen days or twenty-four days if the court has permitted service by publication under RCW 10.14.085. The ex parte order may be reissued. A full hearing, as provided in this chapter, shall be set for not later than fourteen days from the issuance of the temporary order or not later than twenty-four days if service by publication is permitted. Except as provided in RCW 10.14.070 and 10.14.085, the respondent shall be personally served with a copy of the ex parte order along with a copy of the petition and notice of the date set for the hearing. The ex parte order and notice of hearing shall include at a minimum the date and time of the hearing set by the court to determine if the temporary order should be made effective for one year or more, and notice that if the respondent should fail to appear or otherwise not respond, an order for protection will be issued against the respondent pursuant to the provisions of this chapter for a minimum of one year from the date of the hearing. The notice shall also include a brief statement of the provisions of the ex parte order and notify the respondent that a copy of the ex parte order and notice of hearing has been filed with the clerk of the court.

(3) At the hearing, if the court finds by a preponderance of the evidence that unlawful harassment exists, a civil antiharassment protection order shall issue prohibiting such unlawful harassment.

(4) An order issued under this chapter shall be effective for not more than one year unless the court finds that the respondent is likely to resume unlawful harassment of the petitioner when the order expires. If so, the court may enter an order for a fixed time exceeding one year or may enter a permanent antiharassment protection order. The court shall not enter an order that is effective for more than one year if the order restrains the respondent from contacting the respondent's minor children. This limitation is not applicable to civil antiharassment protection orders issued under chapter 26.09, 26.10, or 26.26 RCW. If the petitioner seeks relief for a period longer than one year on behalf of the respondent's minor children, the court shall advise the petitioner that the petitioner may apply for renewal of the order as provided in this chapter or if appropriate may seek relief pursuant to chapter 26.09 or 26.10 RCW.

(5) At any time within the three months before the expiration of the order, the petitioner may apply for a renewal of the order by filing a petition for renewal. The petition for renewal shall state the reasons why the petitioner seeks to renew the protection order. Upon receipt of the petition for renewal, the court shall order a hearing which shall be not later than fourteen days from the date of the order. Except as provided in RCW 10.14.085, personal service shall be made upon the respondent not less than five days before the hearing. If timely service cannot be made the court shall set a new hearing date and shall either require additional attempts at obtaining personal service or permit service by publication as provided

by RCW 10.14.085. If the court permits service by publication, the court shall set the new hearing date not later than twenty-four days from the date of the order. If the order expires because timely service cannot be made the court shall grant an ex parte order of protection as provided in this section. The court shall grant the petition for renewal unless the respondent proves by a preponderance of the evidence that the respondent will not resume harassment of the petitioner when the order expires. The court may renew the protection order for another fixed time period or may enter a permanent order as provided in subsection (4) of this section.

(6) The court, in granting an ex parte temporary antiharassment protection order or a civil antiharassment protection order, shall have broad discretion to grant such relief as the court deems proper, including an order:

(a) Restraining the respondent from making any attempts to contact the petitioner;

(b) Restraining the respondent from making any attempts to keep the petitioner under surveillance;

(c) Requiring the respondent to stay a stated distance from the petitioner's residence and workplace; and

(d) Considering the provisions of RCW 9.41.800.

(7) A petitioner may not obtain an ex parte temporary antiharassment protection order against a respondent if the petitioner has previously obtained two such ex parte orders against the same respondent but has failed to obtain the issuance of a civil antiharassment protection order unless good cause for such failure can be shown.

(8) The court order shall specify the date an order issued pursuant to subsections (4) and (5) of this section expires if any. The court order shall also state whether the court issued the protection order following personal service or service by publication and whether the court has approved service by publication of an order issued under this section.

Sec. 2. RCW 10.14.100 and 1992 c 143 s 15 are each amended to read as follows:

(1) An order issued under this chapter shall be personally served upon the respondent, except as provided in subsections (5) and (7) of this section.

(2) The sheriff of the county or the peace officers of the municipality in which the respondent resides shall serve the respondent personally unless the petitioner elects to have the respondent served by a private party.

(3) If the sheriff or municipal peace officer cannot complete service upon the respondent within ten days, the sheriff or municipal peace officer shall notify the petitioner.

(4) Returns of service under this chapter shall be made in accordance with the applicable court rules.

(5) If an order entered by the court recites that the respondent appeared in person before the court, the necessity for further service is waived and proof of service of that order is not necessary. The court's order, entered after a hearing,

need not be served on a respondent who fails to appear before the court, if material terms of the order have not changed from those contained in the temporary order, and it is shown to the court's satisfaction that the respondent has previously been personally served with the temporary order.

(6) Except in cases where the petitioner is granted leave to proceed in forma pauperis, municipal police departments serving documents as required under this chapter may collect the same fees for service and mileage authorized by RCW 36.18.040 to be collected by sheriffs.

(7) If the court previously entered an order allowing service by publication of the notice of hearing and temporary order of protection pursuant to RCW 10.14.085, the court may permit service by publication of the order of protection issued under RCW 10.14.080. Service by publication must comply with the requirements of RCW 10.14.085.

Passed the House April 16, 2001.

Passed the Senate April 4, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 312

[Engrossed Substitute House Bill 1655]

DEPARTMENT OF FISH AND WILDLIFE—ADVISORY COMMITTEE—DISABLED INDIVIDUALS

AN ACT Relating to the creation of an advisory committee to the fish and wildlife commission composed of disabled individuals; and adding a new section to chapter 77.04 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 77.04 RCW to read as follows:

(1) The commission must appoint an advisory committee to generally represent the interests of disabled hunters and fishers on matters including, but not limited to, special hunts, modified sporting equipment, access to public land, and hunting and fishing opportunities. The advisory committee is composed of seven members, each being a person with a disability. The advisory committee members must represent the entire state. The members must be appointed so that each of the six department administrative regions, as they existed on January 1, 2001, are represented with one resident on the advisory committee. One additional member must be appointed at large. The chair of the advisory committee must be a member of the advisory committee and shall be selected by the members of the advisory committee.

(2) For the purposes of this section, a person with a disability includes but is not limited to:

(a) A permanently disabled person who is not ambulatory over natural terrain without a prosthesis or assistive device;

(b) A permanently disabled person who is unable to walk without the use of assistance from a brace, cane, crutch, wheelchair, scooter, walker, or other assistive device;

(c) A person who has a cardiac condition to the extent that the person's functional limitations are severe;

(d) A person who is restricted by lung disease to the extent that the person's functional limitations are severe;

(e) A person who is totally blind or visually impaired; or

(f) A permanently disabled person with upper or lower extremity impairments who does not have the use of one or both upper or lower extremities.

(3) The members of the advisory committee are appointed for a four-year term. If a vacancy occurs on the advisory committee prior to the expiration of a term, the commission must appoint a replacement within sixty days to complete the term.

(4) The advisory committee must meet at least semi-annually, and may meet at other times as requested by a majority of the advisory committee members for any express purpose that directly relates to the duties set forth in subsection (1) of this section. A majority of members currently serving on the advisory committee constitutes a quorum. The department must provide staff support for all official advisory committee meetings.

(5) Each member of the advisory committee shall serve without compensation but may be reimbursed for travel expenses as authorized in RCW 43.03.050 and 43.03.060.

(6) The members of the advisory committee, or individuals acting on their behalf, are immune from civil liability for official acts performed in the course of their duties.

(7) The provisions of this section constitute a pilot program that expires July 1, 2005. On December 1, 2004, the commission shall present a report to the appropriate legislative committees detailing the effectiveness of the advisory committee, including but not limited to, the participation levels, general interest, quality of advice, and recommendations as to the advisory committee's continuance or modification.

Passed the House April 17, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 313

[Substitute House Bill 1781]

LIQUOR VENDOR STORES—COMMISSIONS

AN ACT Relating to payment of agency commissions for agency liquor vendor stores; and amending RCW 66.08.026.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 66.08.026 and 1998 c 265 s 2 are each amended to read as follows:

All administrative expenses of the board incurred on and after April 1, 1963 shall be appropriated and paid from the liquor revolving fund. These administrative expenses shall include, but not be limited to: The salaries and expenses of the board and its employees, the cost of establishing, leasing, maintaining, and operating state liquor stores and warehouses, legal services, pilot projects, annual or other audits, and other general costs of conducting the business of the board, and the costs of supplying, installing, and maintaining equipment used in state liquor stores and agency liquor vendor stores for the purchase of liquor by nonlicensees using debit or credit cards. The administrative expenses shall not, however, be deemed to include costs of liquor and lottery tickets purchased, the cost of transportation and delivery to the point of distribution, other costs pertaining to the acquisition and receipt of liquor and lottery tickets, packaging and repackaging of liquor, agency commissions for agency liquor vendor stores, transaction fees associated with credit or debit card purchases for liquor in state liquor stores and in the stores of agency liquor vendors pursuant to RCW 66.16.040 and 66.16.041, sales tax, and those amounts distributed pursuant to RCW 66.08.180, 66.08.190, 66.08.200, 66.08.210 and 66.08.220. Agency commissions for agency liquor vendor stores shall be established by the liquor control board after consultation with and approval by the director of the office of financial management. All expenditures and payment of obligations authorized by this section are subject to the allotment requirements of chapter 43.88 RCW.

Passed the House March 14, 2001.

Passed the Senate April 10, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 314

[Second Substitute House Bill 1835]

FOREST PRODUCTS COMMISSION

AN ACT Relating to a forest products commission; amending RCW 42.17.31907 and 43.135.055; adding a new section to chapter 82.32 RCW; and adding a new chapter to Title 15 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the creation of a forest products commission would assist in expanding the state's economy, because:

(1) Marketing is a dynamic and changing part of the Washington forest products industry and a vital element in expanding the state economy;

(2) The sale in the state and export to other states and abroad of forest products made in the state contribute substantial benefits to the economy of the state, provide a large number of jobs and sizeable tax revenues, and are key

components of the health of many local communities because many secondary businesses are largely dependent on the health of the forest products industry; and

(3) Forest products are made from a renewable resource and are more environmentally sound than many alternative products.

NEW SECTION. Sec. 2. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Commission" means the forest products commission.

(2) "Department" means the department of agriculture.

(3) "Director" means the director of the department of agriculture or the director's authorized representative.

(4) "Forest products" or "timber" means trees of any species maintained for eventual harvest whether planted or of natural growth, standing or down, on privately or publicly owned land, and also includes wood products related thereto, but does not include Christmas trees or other trees on which the timber excise tax provided under chapter 84.33 RCW is not imposed.

(5) "Person" includes any individual, corporation, firm, partnership, trust, association, or any other organization of individuals.

(6) "Producer" means any person who harvests timber in Washington state and pays the timber excise tax imposed under chapter 84.33 RCW on at least two million board feet in a calendar year or in four consecutive calendar quarters.

(7) "Eastern Washington" means that portion of the state lying east of the Cascade mountain range.

(8) "Western Washington" means that portion of the state lying west of the Cascade mountain range.

NEW SECTION. Sec. 3. (1)(a) There is created a commodity commission to be known and designated as the Washington forest products commission. The commission is composed of nine voting members. The commission may, in its sole discretion, add or remove nonvoting ex officio members to the commission. Of the members, six shall be from western Washington, and three shall be from eastern Washington. After the initial election of commission members, however, if a position cannot be filled by a member from eastern Washington within sixty days from the date on which nominations may first be received because of a lack of candidates, the position may be filled by a member from western Washington. Under no circumstances will there be less than two board members from eastern Washington. If a position was filled by a member from western Washington because of a lack of candidates from eastern Washington, and districts are not used for the nomination and election of members, then a person from eastern Washington must fill the next available vacancy or open position at the next election to bring the number of representatives from eastern Washington up to three members. All members shall be elected by the entire group of producers unless the commission creates districts for the members as authorized in section 5 of this act. If districts are used for the nomination and election of commission members, and it does not appear that one of the positions from eastern Washington

will be filled because of a lack of candidates, then a commission member who resides in western Washington must be elected by the entire group of producers as an at-large member. The position of the western Washington member who is elected as an at-large member shall be filled by a member from eastern Washington at the expiration of the term of the at-large member. If districts are not used for the nomination and election of members, the commission shall strive to achieve representation on the commission from the different geographic regions of the state.

(b) Of the six members from western Washington, three members must have annual harvests of more than seventy-five million board feet, and three members must have annual harvests between two million board feet and seventy-five million board feet.

(c) Of the two members from eastern Washington, one member must have an annual harvest greater than forty million board feet, and one member must have an annual harvest between two million board feet and forty million board feet. If there is a third member from eastern Washington, the only harvest requirement is that the member have an annual harvest of at least two million board feet.

(2) The members must be citizens and residents of this state, and over the age of twenty-one years. Each member must currently, and for the five years last preceding his or her election, be actually engaged in producing forest products within the state of Washington, either individually or as an officer of a corporation, firm, partnership, trust, association, or business organization at the level of production required to qualify as a producer. Each member must also derive a substantial amount of his or her income from the production of forest products. The qualifications set forth in this section apply throughout each member's term of office.

(3) No more than one member of the commission may be employed by, or connected in a proprietary capacity with, the same corporation, firm, partnership, trust, association, or business organization.

(4) Five voting members of the commission constitute a quorum for the transaction of all business and the carrying out of the duties of the commission.

(5) The regular term of office of the members is four years from November 1st following their election and until their successors are elected and qualified. However, the first terms of the members elected November 1, 2001, is as follows: Positions one, four, and seven terminate November 1, 2003; positions two, five, and eight terminate November 1, 2004; and positions three, six, and nine terminate November 1, 2005.

NEW SECTION. Sec. 4. (1) The director shall call the initial meeting of producers of forest products for the purpose of nominating their respective members of the commission. Public notice of the meeting shall be given by the director in the manner the director determines is appropriate. A producer may on his or her own motion file his or her name with the director for the purpose of

receiving notice of the meeting. The nonreceipt of the notice by any interested person does not invalidate the proceedings.

(2) Prior to the nomination of commission members, the department of revenue shall provide the director with a list of all qualified producers within the state based upon tax records of the department.

(3) For the initial election of commission members, any qualified producer may be nominated orally for a commissioner position at the meeting convened by the director. Nominations may also be made within five days prior to the meeting by a written petition filed with the department, signed by at least five producers who reside in the state. If the director determines that one of the positions from eastern Washington will go unfilled because of a lack of candidates, the director shall announce that this position shall be filled by a member from western Washington. If the position designated for eastern Washington is filled by a member from western Washington because of a lack of candidates from eastern Washington, this position shall be designated as position number seven by the director for purposes of section 3(5) of this act. Under no circumstances will there be less than two board members from eastern Washington.

(4) The initial members of the commission shall be elected by secret mail ballot under the supervision of the director at the same time the referendum is submitted under section 12 of this act calling for the creation of the commission and the imposition of the initial assessment. If a nominee does not receive a majority of the votes on the first ballot, a run-off election shall be held by mail in a similar manner between the two candidates for the position receiving the largest number of votes.

NEW SECTION. **Sec. 5.** (1) After the initial election of commission members, the commission shall establish rules for electing commission members, including the method used for notification, nominating, and voting. The commission may create commission districts and boundaries, and may also establish a weighted voting procedure for election of commission members. The commission shall hold its annual meeting during the month of October each year for the purpose of nominating commission members and the transaction of other business. Public notice of the meeting shall be given by the commission in the manner it determines is appropriate. A producer may on his or her own motion file his or her name with the commission for the purpose of receiving notice of the meeting. The nonreceipt of the notice by any interested person does not invalidate the proceedings.

(2) Prior to the nomination of commission members, the department of revenue shall provide the commission with a list of all qualified producers within the state based upon tax records of the department.

NEW SECTION. **Sec. 6.** (1) In the event a position becomes vacant due to resignation, disqualification, death, or for any other reason, the position until the next annual meeting shall be filled by vote of the remaining members of the

commission. At the annual meeting a commissioner shall be elected to fill the balance of the unexpired term.

(2) Each member of the commission shall be compensated in accordance with RCW 43.03.230 and shall be reimbursed for actual travel expenses incurred in carrying out the provisions of this chapter. Employees of the commission may also be reimbursed for actual travel expenses when on official commission business.

NEW SECTION. Sec. 7. Obligations incurred by the commission and liabilities or claims against the commission may be enforced only against the assets of the commission in the same manner as if it were a corporation and no liability for the debts or actions of the commission exists against either the state of Washington or any subdivision or instrumentality thereof or against any member, officer, employee, or agent of the commission in his or her individual capacity. The members of the commission, including employees of the commission, may not be held responsible individually or any way whatsoever to any person for errors in judgment, mistakes, or other acts, either of commission or omission, as principal, agent, person, or employees, except for their own individual acts of dishonesty or crime. A person or employee may not be held responsible individually for any act or omission of any other members of the commission.

NEW SECTION. Sec. 8. The powers and duties of the commission include:

(1) To elect a chairman and such officers as the commission deems advisable. The commission shall adopt rules for its own governance, which provide for the holding of an annual meeting for the election of officers and transaction of other business and for such other meetings as the commission may direct;

(2) To adopt any rules necessary to carry out the purposes of this chapter, in conformance with chapter 34.05 RCW;

(3) To administer and do all things reasonably necessary to carry out the purposes of this chapter;

(4) At the pleasure of the commission, to employ a treasurer who is responsible for all receipts and disbursements by the commission and the faithful discharge of whose duties shall be guaranteed by a bond at the sole expense of the commission;

(5) At the pleasure of the commission, to employ and discharge managers, secretaries, agents, attorneys, and employees and to engage the services of independent contractors as the commission deems necessary, to prescribe their duties, and to fix their compensation;

(6) To engage directly or indirectly in the promotion of Washington forest products and managed forests, and shall in the good faith judgment of the commission be in aid of the marketing, advertising, or sale of forest products, or of research related to such marketing, advertising, or sale of forest products, or of research related to managed forests;

(7) To enforce the provisions of this chapter, including investigating and prosecuting violations of this chapter;

(8) To acquire and transfer personal and real property, establish offices, incur expense, and enter into contracts. Contracts for creation and printing of promotional literature are not subject to chapter 43.78 RCW, but such contracts may be canceled by the commission unless performed under conditions of employment which substantially conform to the laws of this state and the rules of the department of labor and industries. The commission may create such debt and other liabilities as may be reasonable for proper discharge of its duties under this chapter;

(9) To maintain such account or accounts with one or more qualified public depositaries as the commission may direct, to cause moneys to be deposited therein, and to expend moneys for purposes authorized by this chapter by drafts made by the commission upon such institutions or by other means;

(10) To cause to be kept and annually closed, in accordance with generally accepted accounting principles, accurate records of all receipts, disbursements, and other financial transactions, available for audit by the state auditor;

(11) To create and maintain a list of producers and to disseminate information among and solicit the opinions of producers with respect to the discharge of the duties of the commission, directly or by arrangement with trade associations or other instrumentalities;

(12) To employ, designate as agent, act in concert with, and enter into contracts with any person, council, commission, or other entity for the purpose of promoting the general welfare of the forest products industry and particularly for the purpose of assisting in the sale and distribution of Washington forest products in domestic and foreign commerce, expending moneys as it may deem necessary or advisable for such purpose and for the purpose of paying its proportionate share of the cost of any program providing direct or indirect assistance to the sale and distribution of Washington forest products in domestic or foreign commerce, and employing and paying for vendors of professional services of all kinds;

(13) To sue and be sued as a commission, without individual liability for acts of the commission within the scope of the powers conferred upon it by this chapter;

(14) To propose assessment levels for producers subject to referendum approval under section 11 of this act; and

(15) To participate in federal and state agency hearings, meetings, and other proceedings relating to the regulation, production, manufacture, distribution, sale, or use of forest products.

NEW SECTION. Sec. 9. The commission shall create, provide for, and conduct a research, promotional, and educational campaign as sales and market conditions reasonably require. It shall investigate and ascertain the needs of producers, conditions of markets, and degree of public awareness of products, and take into account the information obtained in the discharge of its duties under this chapter.

NEW SECTION. Sec. 10. (1) The commission shall cause a list to be prepared of all Washington producers of forest products from any information

available from the commission, producers' association, or producers, including tax records from the department of revenue. This list shall contain the names and addresses of all persons who produce forest products within this state, the amount of forest products produced during the period designated by the commission, and the assessment amount for each member. The list is considered confidential and may be reviewed only by the employees of the commission, except for information that may be disclosed to the public and commission members under subsection (4) of this section. A qualified person may, at any time, have his or her name placed upon the list by delivering or mailing the information to the commission. This list shall be corrected and brought up to date in accordance with evidence and information available to the commission on or before December 31st of each year, or as soon thereafter as possible. For all purposes of giving notice and holding referendums, the list on hand, corrected up to the day next preceding the date for issuing notices or ballots as the case may be, is, for purposes of this chapter, the list of all producers entitled to notice or to assent or dissent or to vote.

(2) The commission shall develop a reporting system to document that the producers of forest products in this state are reporting quantities of forest products produced and subject to the assessment as provided in section 11 of this act.

(3) The department of revenue may charge the commission for the reasonable costs of providing reports of harvest activity on a quarterly basis.

(4) Any taxpayer information received by the commission from the department of revenue may only be used for the limited purposes of establishing lists of producers necessary to determine eligibility for voting, eligibility for serving as a commission member, the amount of assessments owed, or other necessary purposes as established by law. Any return or tax information received from the department of revenue may be reviewed only by the employees of the commission. Employees may disclose to the public and commission members a list of commission members, groupings of at least three commission members by the amount of forest products harvested over any time period designated by the commission of at least one quarter, and the members who are eligible for the various positions on the commission.

NEW SECTION. Sec. 11. (1) To provide for permanent funding of the forest products commission, an assessment shall be levied by the commission on producers of each species of forest products. The initial rate of assessment that shall be submitted for approval by referendum pursuant to section 12 of this act is fifty-seven cents per thousand board feet. The initial assessment is not effective until approved by a majority of producers as required by section 12 of this act.

(2) After the initial assessment rate is approved, the commission may adjust the amount of the assessment within a range of forty-five cents up to ninety cents per thousand board feet. The commission shall submit any proposed increase in the assessment to producers pursuant to the referendum process established in this section, and shall supply all known producers with a ballot for the referendum. The commission shall establish the assessment for the marketing year by January

1st of each year, or as soon thereafter as possible. Assessments may only be used for the purposes and objects of this chapter.

(3) The forest products commission may raise the assessment on forest products in excess of the fiscal growth factor under chapter 43.135 RCW. The assessment limits established by this section are solely to provide prior legislative authority for the purposes of RCW 43.135.055 and are not a limit on the authority of the forest products commission to alter assessments in any manner not limited by RCW 43.135.055. However, any alteration in assessments made under this section must be made with the procedural requirements established by this chapter for altering such assessments.

(4) The requirement for approval of an assessment is met if: (a) At least fifty-one percent by numbers of producers replying in the referendum vote affirmatively, and these producers represent at least sixty-one percent of the volume of the producers replying in the referendum; or (b) sixty-five percent by numbers of producers replying in the referendum vote affirmatively, and these producers represent at least fifty-one percent of the volume of the producers replying in the referendum. An assessment shall only be approved if at least forty percent of the eligible producers participate in the vote.

NEW SECTION. Sec. 12. (1) For purposes of determining producer participation in the commission, the initial election of commissioners, and for imposition of the original assessment specified in section 11 of this act, the director shall conduct a referendum among all producers of forest products within the state.

(2) The requirement for approval of the assessment and creation of the commission is met if: (a) At least fifty-one percent by numbers of producers replying in the referendum vote affirmatively, and these producers represent at least sixty-one percent of the volume of the producers replying in the referendum; or (b) sixty-five percent by numbers of producers replying in the referendum vote affirmatively, and these producers represent at least fifty-one percent of the volume of the producers replying in the referendum. The referendum shall only be approved if at least forty percent of the eligible producers participate in the vote.

(3) If the director determines that the requisite approval has been given, the director shall declare the establishment of the commission and direct it to put into force the assessment authorized in section 11 of this act. If the director finds that the requisite approval has not been given, then this chapter is not operative.

NEW SECTION. Sec. 13. The commission shall deposit moneys collected under section 11 of this act in a separate account in the name of the commission in any bank that is a state depository. All expenditures and disbursements made from this account under this chapter may be made without the necessity of a specific legislative appropriation. RCW 43.01.050 does not apply to this account or to the moneys received, collected, or expended under this chapter.

NEW SECTION. Sec. 14. A due and payable assessment levied in the amount determined by the commission under section 11 of this act constitutes a

personal debt of every person so assessed, or who otherwise owes the assessment, and the assessment is due and payable to the commission when payment is called for by the commission. If a person fails to pay the commission the full amount of the assessment by the date due, the commission may add to the unpaid assessment an amount not exceeding ten percent of the assessment to defray the cost of enforcing its collection. If the person fails to pay any due and payable assessment or other such sum, the commission may bring a civil action for collection against the person or persons in a court of competent jurisdiction. The action shall be tried and judgment rendered as in any other cause of action for a debt due and payable.

NEW SECTION. Sec. 15. All county and state law enforcement officers shall assist in the enforcement of this chapter.

NEW SECTION. Sec. 16. The superior courts are hereby vested with jurisdiction to enforce this chapter and the rules of the commission, and to prevent and restrain violations thereof.

NEW SECTION. Sec. 17. This chapter shall be liberally construed to effectuate its purposes.

Sec. 18. RCW 42.17.31907 and 1996 c 80 s 3 are each amended to read as follows:

The following agricultural business and commodity commission records are exempt from the disclosure requirements of this chapter:

(1) Production or sales records required to determine assessment levels and actual assessment payments to commodity commissions formed under chapters 15.24, 15.26, 15.28, 15.44, 15.65, 15.66, 15.74, 15.88, ~~15.— (sections 1 through 17 and 22 of this act)~~, and 16.67 RCW or required by the department of agriculture under RCW 15.13.310(4) or 15.49.370(6);

(2) Consignment information contained on phytosanitary certificates issued by the department of agriculture under chapters 15.13, 15.49, and 15.17 RCW or federal phytosanitary certificates issued under 7 C.F.R. 353 through cooperative agreements with the animal and plant health inspection service, United States department of agriculture, or on applications for phytosanitary certification required by the department of agriculture; and

(3) Financial and commercial information and records supplied by persons to commodity commissions formed under chapters 15.24, 15.28, 15.44, 15.65, 15.66, 15.74, 15.88, ~~15.— (sections 1 through 17 and 22 of this act)~~, and 16.67 RCW with respect to domestic or export marketing activities or individual producer's production information.

Sec. 19. RCW 43.135.055 and 1997 c 303 s 2 are each amended to read as follows:

(1) No fee may increase in any fiscal year by a percentage in excess of the fiscal growth factor for that fiscal year without prior legislative approval.

(2) This section does not apply to an assessment made by an agricultural commodity commission or hoard created by state statute or created under a

marketing agreement or order under chapter 15.65 or 15.66 RCW, or to the forest products commission, if the assessment is approved by referendum in accordance with the provisions of the statutes creating the commission or board or chapter 15.65 or 15.66 RCW for approving such assessments.

NEW SECTION. Sec. 20. A new section is added to chapter 82.32 RCW to read as follows:

The forest products commission, created pursuant to chapter 15.— RCW (sections 1 through 17 and 22 of this act), constitutes a state agency for purposes of applying the exemption contained in RCW 82.32.330(3)(f) for the disclosure of taxpayer information by the department. Disclosure of return or tax information may be made only to employees of the commission and not to commission members. Employees are authorized to use this information in accordance with section 10(4) of this act. Employees are subject to all civil and criminal penalties provided under RCW 82.32.330 for disclosures made to another person not entitled under the provisions of this section or section 10 of this act to knowledge of such information.

NEW SECTION. Sec. 21. Sections 1 through 17 and 22 of this act constitute a new chapter in Title 15 RCW.

NEW SECTION. Sec. 22. 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.

Passed the House April 13, 2001.

Passed the Senate April 6, 2001.

Approved by the Governor May 14, 2001.

Filed in Office of Secretary of State May 14, 2001.

CHAPTER 315

[Substitute House Bill 1892]

AGRICULTURAL COMMODITY BOARDS AND COMMISSIONS

AN ACT Relating to agricultural commodity boards and commissions; amending RCW 15.66.030, 15.66.110, 15.66.140, 15.65.040, 15.65.230, 15.65.280, and 43.03.230; adding new sections to chapter 15.65 RCW; and adding new sections to chapter 15.66 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 15.66.030 and 1961 c 11 s 15.66.030 are each amended to read as follows:

Marketing orders may be made for any one or more of the following purposes:

(1) To establish plans and conduct programs for advertising and sales promotion, to maintain present markets or to create new or larger markets for any agricultural commodity grown in the state of Washington;

(2) To provide for carrying on research studies to find more efficient methods of production, processing, handling and marketing of any agricultural commodity;

(3) To provide for improving standards and grades by defining, establishing and providing labeling requirements with respect to the same;

(4) To investigate and take necessary action to prevent unfair trade practices;

(5) To provide information or communicate on matters pertaining to the production, processing, marketing, or uses of an agricultural commodity produced in Washington state to any elected official or officer or employee of any agency;

(6) To provide marketing information and services for producers of an agricultural commodity;

(7) To provide information and services for meeting resource conservation objectives of producers of an agricultural commodity;

(8) To engage in cooperative efforts in the domestic or foreign marketing of food products of an agricultural commodity; and

(9) To provide for commodity-related education and training.

Sec. 2. RCW 15.66.110 and 1961 c 11 s 15.66.110 are each amended to read as follows:

Every marketing order shall establish a commodity commission composed of not less than five nor more than thirteen members. In addition, the director shall be an ex officio member of each commodity commission. Commission members shall be citizens and residents of this state if required by the marketing order, and over the age of ~~((twenty-five years))~~ eighteen. The term of office of commission members shall be three years with the terms rotating so that one-third of the terms will commence as nearly as practicable each year. However, the first commission shall be selected, one-third for a term of one year, one-third for a term of two years, and one-third for a term of three years, as nearly as practicable. No less than two-thirds of the commission members shall be elected by the affected producers and such elected members shall all be affected producers. The remaining ((one-third)) members shall be appointed by the commission and shall be either affected producers, others active in matters relating to the affected commodity or persons not so related.

Sec. 3. RCW 15.66.140 and 1985 c 261 s 20 are each amended to read as follows:

Every marketing commission shall have such powers and duties in accordance with provisions of this chapter as may be provided in the marketing order and shall have the following powers and duties:

(1) To elect a chairman and such other officers as determined advisable;

(2) To adopt, rescind and amend rules and regulations reasonably necessary for the administration and operation of the commission and the enforcement of its duties under the marketing order;

(3) To administer, enforce, direct and control the provisions of the marketing order and of this chapter relating thereto;

(4) To employ and discharge at its discretion such administrators and additional personnel, attorneys, advertising and research agencies and other persons and firms that it may deem appropriate and pay compensation to the same;

(5) To acquire personal property and purchase or lease office space and other necessary real property and transfer and convey the same;

(6) To institute and maintain in its own name any and all legal actions, including actions by injunction, mandatory injunction or civil recovery, or proceedings before administrative tribunals or other governmental authorities necessary to carry out the provisions of this chapter and of the marketing order;

(7) To keep accurate records of all its receipts and disbursements, which records shall be open to inspection and audit by the state auditor or private auditor designated by the state auditor at least every five years;

(8) Borrow money and incur indebtedness;

(9) Make necessary disbursements for routine operating expenses;

(10) To expend funds for commodity-related education, training, and leadership programs as each commission deems expedient;

(11) To work cooperatively with other local, state, and federal agencies, universities, and national organizations for the purposes provided in the commission's marketing order;

(12) To enter into contracts or interagency agreements with any private or public agency, whether federal, state, or local, to carry out the purposes provided in the commission's marketing order. Personal service contracts must comply with chapter 39.29 RCW;

(13) To accept and expend or retain any gifts, bequests, contributions, or grants from private persons or private and public agencies to carry out the purposes provided in the commission's marketing order;

(14) To enter into contracts or agreements for research in the production, processing, marketing, use, or distribution of an affected commodity;

(15) To retain in emergent situations the services of private legal counsel to conduct legal actions on behalf of a commission. The retention of a private attorney is subject to review by the office of the attorney general;

(16) To engage in appropriate fund-raising activities for the purpose of supporting activities of the commission authorized by the marketing order;

(17) To participate in international, federal, state, and local hearings, meetings, and other proceedings relating to the production, manufacture, regulation, distribution, sale, or use of affected commodities including activities authorized under RCW 42.17.190, including the reporting of those activities to the public disclosure commission; and

(18) Such other powers and duties that are necessary to carry out the purposes of this chapter.

Sec. 4. RCW 15.65.040 and 1961 c 256 s 4 are each amended to read as follows:

It is hereby declared to be the policy of this chapter:

(1) To aid agricultural producers in preventing economic waste in the marketing of their agricultural commodities and in developing more efficient methods of marketing agricultural products.

- (2) To enable agricultural producers of this state, with the aid of the state:
- (a) To develop, and engage in research for developing, better and more efficient production, marketing, and utilization of agricultural products;
 - (b) To establish orderly marketing of agricultural commodities;
 - (c) To provide for uniform grading and proper preparation of agricultural commodities for market;
 - (d) To provide methods and means (including, but not limited to, public relations and promotion) for the maintenance of present markets and for the development of new or larger markets, both domestic and foreign, for agricultural commodities produced within this state and for the prevention, modification, or elimination of trade barriers which obstruct the free flow of such agricultural commodities to market;
 - (e) To eliminate or reduce economic waste in the marketing and/or use of agricultural commodities;
 - (f) To restore and maintain adequate purchasing power for the agricultural producers of this state;
 - (g) To provide information or communicate on matters pertaining to the production, processing, marketing, or uses of an agricultural commodity produced in Washington state to any elected official or officer or employee of any agency;
 - (h) To provide marketing information and services for producers of an agricultural commodity;
 - (i) To provide information and services for meeting resource conservation objectives of producers of an agricultural commodity;
 - (j) To engage in cooperative efforts in the domestic or foreign marketing of food products of an agricultural commodity;
 - (k) To provide for commodity-related education and training; and
 - ~~((g))~~ (l) To accomplish all the declared policies of this chapter.
- (3) To protect the interest of consumers by assuring a sufficient pure and wholesome supply of agricultural commodities of good quality at all seasons and times.

Sec. 5. RCW 15.65.230 and 1961 c 256 s 23 are each amended to read as follows:

~~((The))~~ A producer member~~((s))~~ of each ~~((such))~~ commodity board ~~((shall))~~ must be a practical producer~~((s))~~ of the affected commodity and ~~((shall))~~ must be a citizen~~((s-and))~~, resident~~((s))~~ of this state, and over the age of ~~((twenty-five))~~ eighteen years~~((,-each-of-whom-is-and-has))~~. Each producer board member must be and have been actually engaged in producing such a commodity within the state of Washington for a period of five years and ~~((has))~~ have, during that period, derived a substantial portion of his or her income therefrom and ~~((who-is))~~ not be engaged in business, directly or indirectly, as a handler or other dealer. ~~((The))~~ A handler member~~((s))~~ of ~~((such))~~ each board ~~((shall))~~ must be a practical handler~~((s))~~ of the affected commodity and ~~((shall))~~ must be a citizen~~((s-and))~~, resident~~((s))~~ of this state, and over the age of twenty-five years~~((,-each-of-whom-is~~

~~and has)). Each handler board member must be and have been, either individually or as an officer or employee of a corporation, firm, partnership, association, or cooperative, actually engaged in handling such a commodity within the state of Washington for a period of five years and ((has)) have, during that period, derived a substantial portion of his or her income therefrom. The qualification of a member((s)) of the board as ((herein)) set forth in this section must continue during ((their)) the term((s)) of office.~~

Sec. 6. RCW 15.65.280 and 1985 c 261 s 11 are each amended to read as follows:

The powers and duties of the board shall be:

- (1) To elect a chairman and such other officers as it deems advisable;
- (2) To advise and counsel the director with respect to the administration and conduct of such marketing agreement or order;
- (3) To recommend to the director administrative rules, regulations and orders and amendments thereto for the exercise of his powers in connection with such agreement or order;
- (4) To advise the director upon any and all assessments provided pursuant to the terms of such agreement or order and upon the collection, deposit, withdrawal, disbursement and paying out of all moneys;
- (5) To assist the director in the collection of such necessary information and data as the director may deem necessary in the proper administration of this chapter;
- (6) To administer the order or agreement as its administrative board if the director designates it so to do in such order or agreement;
- ~~(7) To work cooperatively with other local, state, and federal agencies; universities; and national organizations for the purposes provided in the board's marketing order;~~
- ~~(8) To enter into contracts or interagency agreements with any private or public agency, whether federal, state, or local, to carry out the purposes provided in the board's marketing order. Personal service contracts must comply with chapter 39.29 RCW;~~
- ~~(9) To accept and expend or retain any gifts, bequests, contributions, or grants from private persons or private and public agencies to carry out the purposes provided in the board's marketing order;~~
- ~~(10) To retain in emergent situations the services of private legal counsel to conduct legal actions on behalf of a board. The retention of a private attorney is subject to review by the office of the attorney general;~~
- ~~(11) To engage in appropriate fund-raising activities for the purpose of supporting activities of the board authorized by the marketing order;~~
- ~~(12) To enter into contracts or agreements for research in the production, processing, marketing, use, or distribution of an affected commodity;~~
- ~~(13) To participate in international, federal, state, and local hearings, meetings, and other proceedings relating to the production, manufacture, regulation,~~

distribution, sale, or use of affected commodities including activities authorized under RCW 42.17.190, including the reporting of those activities to the public disclosure commission; and

(14) To perform such other duties as the director may prescribe in the marketing agreement or order.

Any agreement or order under which the commodity board administers the order or agreement shall (if so requested by the affected producers within the affected area in the proposal or promulgation hearing) contain provisions whereby the director reserves the power to approve or disapprove every order, rule or directive issued by the board, in which event such approval or disapproval shall be based on whether or not the director believes the board's action has been carried out in conformance with the purposes of this chapter.

NEW SECTION. Sec. 7. A new section is added to chapter 15.65 RCW to read as follows:

A commodity board may establish a foundation using commission funds as grant money when the foundation benefits the commodity for which the board was established. Commission funds may be used for the purposes authorized in the marketing order.

NEW SECTION. Sec. 8. A new section is added to chapter 15.66 RCW to read as follows:

A commodity commission may establish a foundation using commission funds as grant money when the foundation benefits the commodity for which the commission was established. Commission funds may be used for the purposes authorized in the marketing order.

***NEW SECTION.** Sec. 9. *A new section is added to chapter 15.65 RCW to read as follows:*

(1) Each board member of a commodity board established under this chapter may be compensated pursuant to RCW 43.03.230.

(2) Board members and employees of a commodity board established under this chapter may be reimbursed for actual travel expenses incurred in carrying out the provisions of this chapter, as defined under the commodity board's marketing order. Otherwise, if not defined or referenced in the marketing order, reimbursement for travel expenses shall be in accordance with RCW 43.03.050 and 43.03.060.

(3) Approval for compensation and travel expenses shall be as defined in the commodity board's marketing order.

*Sec. 9 was vetoed. See message at end of chapter.

***NEW SECTION.** Sec. 10. A new section is added to chapter 15.66 RCW to read as follows:

(1) Each board member of a commodity commission established under this chapter may be compensated pursuant to RCW 43.03.230.

(2) Board members and employees of a commodity commission established under this chapter may be reimbursed for actual travel expenses incurred in carrying out the provisions of this chapter, as defined under the commodity commission's marketing order. Otherwise, if not defined or referenced in the marketing order, reimbursement for travel expenses shall be in accordance with RCW 43.03.050 and 43.03.060.

(3) Approval for compensation and travel expenses shall be as defined in the commodity commission's marketing order.

*Sec. 10 was vetoed. See message at end of chapter.

Sec. 11. RCW 43.03.230 and 1984 c 287 s 3 are each amended to read as follows:

(1) Any agricultural commodity board or commission established pursuant to Title 15 or 16 RCW shall be identified as a class two group for purposes of compensation.

(2) Except as otherwise provided in this section, each member of a class two group is eligible to receive compensation in an amount not to exceed (~~(thirty-five)~~) one hundred dollars for each day during which the member attends an official meeting of the group or performs statutorily prescribed duties approved by the chairperson of the group. A person shall not receive compensation for a day of service under this section if the person (a) occupies a position, normally regarded as full-time in nature, in any agency of the federal government, Washington state government, or Washington state local government; and (b) receives any compensation from such government for working that day.

(3) Compensation may be paid a member under this section only if it is authorized under the law dealing in particular with the specific group to which the member belongs or dealing in particular with the members of that specific group.

Passed the House April 13, 2001.

Passed the Senate April 4, 2001.

Approved by the Governor May 14, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 14, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 9 and 10, Substitute House Bill No. 1892 entitled:

"AN ACT Relating to agricultural commodity board and commissions;"

Substitute House Bill No. 1892 expands the powers of certain commodity boards and commissions so that they may be more effective in promoting Washington's products.

Sections 9 and 10 of the bill would have allowed members and staff of commodity boards and commissions to be reimbursed for the full amount of their actual travel expenses, rather than being limited by the Office of Financial Management regulations on reimbursement rates. Because international travel can be quite expensive and these boards and commissions are self-supporting, I support this goal. Unfortunately, sections 9 and 10 were mechanically flawed. They would have exempted individuals from compliance with RCW 43.03.050 and 43.03.060, which create the statewide system for travel reimbursement. However, this bill does not also amend RCW 15.65.270 or 15.66.130, both of which deal with travel reimbursement for commodity board or commission

members. By changing only part of the applicable statutes, sections 9 and 10 would have created an internal inconsistency in the law.

Several bills were passed this year dealing with travel reimbursement for commodity boards and commissions. I encourage the interested parties to combine their efforts next year to put forward a single effort that consistently amends the expense reimbursement statutes for all of our state's self-supporting commodity boards and commissions.

For these reasons, I have vetoed sections 9 and 10 of Substitute House Bill No. 1892.

With the exception of sections 9 and 10, Substitute House Bill No. 1892 is approved."

CHAPTER 316

[Second Substitute House Bill 1445]

LINKED DEPOSIT PROGRAM

AN ACT Relating to the time certificate of deposit investment program; amending RCW 43.131.381, 43.131.382, 43.86A.060, and 43.63A.690; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.131.381 and 1994 c 126 s 2 are each amended to read as follows:

The linked deposit program shall be terminated on June 30, ~~((2000))~~ 2003, as provided in RCW 43.131.382.

Sec. 2. RCW 43.131.382 and 1994 c 126 s 3 are each amended to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, ~~((2001))~~ 2004:

- (1) RCW 43.86A.060 and 1993 c 512 s 30;
- (2) RCW 43.63A.690 and 1993 c 512 s 31; and
- (3) RCW 43.86A.070 and 1993 c 512 s 34.

***Sec. 3.** *RCW 43.86A.060 and 1993 c 512 s 30 are each amended to read as follows:*

(1) The state treasurer shall establish a linked deposit program for investment of deposits in qualified public depositories. As a condition of participating in the program, qualified public depositories must make qualifying loans as provided in this section. The state treasurer may purchase a certificate of deposit that is equal to the amount of the qualifying loan made by the qualified public depository or may purchase a certificate of deposit that is equal to the aggregate amount of two or more qualifying loans made by one or more qualified public depositories.

(2) Qualifying loans made under this section are those that:

- (a) Are loans that have terms that do not exceed ten years;*
- (b) Are made to a ~~((minority or women's))~~ socially and economically disadvantaged business enterprise that has received state certification under chapter 39.19 RCW;*

(c) ~~Are made to ((minority or women's))~~ socially and economically disadvantaged business enterprises that are considered a small business ((as defined in RCW 43.31.025));

(d) ~~Are made where the interest rate on the loan to the ((minority or women's))~~ socially and economically disadvantaged business enterprise does not exceed an interest rate that is two hundred basis points below the interest rate the qualified public depository would charge for a loan for a similar purpose and a similar term; and

(e) ~~Are made where the points or fees charged at loan closing do not exceed one percent of the loan amount.~~

(3) ~~In setting interest rates of time certificate of deposits, the state treasurer shall offer rates so that a two hundred basis point preference will be given to the qualified public depository.~~

(4) ~~For purposes of this section, "socially and economically disadvantaged business enterprise" means any small business concern where at least fifty-one percent is unconditionally owned by one or more socially or economically disadvantaged individuals.~~

(a) ~~"Socially disadvantaged individuals" are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.~~

(b) ~~"Economically disadvantaged individuals" are those individuals, including first-time small business owners that are under the age of twenty-five, whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area.~~

*Sec. 3 was vetoed. See message at end of chapter.

*Sec. 4. ~~RCW 43.63A.690 and 1993 c 512 s 31 are each amended to read as follows:~~

(1) ~~The department shall provide technical assistance and loan packaging services that enable ((minority and women-owned))~~ socially and economically disadvantaged business enterprises to obtain financing under the linked deposit program created under RCW 43.86A.060.

(2) ~~The department shall, in consultation with the state treasurer, monitor the performance of loans made to ((minority and women-owned))~~ socially and economically disadvantaged business enterprises under RCW 43.86A.060.

*Sec. 4 was vetoed. See message at end of chapter.

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

Passed the House March 12, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 3 and 4, Second Substitute House Bill No. 1445 entitled:

"AN ACT Relating to the time certificate of deposit investment program;"

Second Substitute House Bill No. 1445 continues the state's Linked Deposit Program, under which low-interest loans are made available for women and minority-owned businesses beyond its June 30, 2001 sunset date. This is an important program that aids in the creation and expansion of many businesses. Additionally, the program has spurred economic development in distressed areas of our state.

Section 3 of the bill was an amendment to the original bill and would have directed the program to socially and economically disadvantaged business enterprises, deleting all references to women or minority-owned businesses. As such, several legislators who supported the bill believe section 3 would have significantly diluted the Linked Deposit Program, making it inconsistent with the original legislative intent.

Section 4 also references socially and economically disadvantaged business enterprises, and it would create confusion if section 3 were vetoed alone.

For these reasons, I have vetoed sections 3 and 4 of Second Substitute House Bill No. 1445.

With the exception of sections 3 and 4, Second Substitute House Bill No. 1445 is approved."

CHAPTER 317

[House Bill 1048]

TEACHERS' RETIREMENT SYSTEM—INCREASING HOURS RETIREES MAY WORK

AN ACT Relating to increasing the number of hours that teachers' retirement system plan retirees may work in an eligible position to eight hundred forty without a reduction in their retirement benefits; and amending RCW 41.32.570.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 41.32.570 and 1999 c 387 s 1 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every seven hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred forty hours per month. Any monthly benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2) Any (~~retired teacher or retired administrator~~) retiree who enters service in any public educational institution in Washington state and who has satisfied the

break in employment requirement of subsection (1) of this section shall cease to receive pension payments while engaged in such service: PROVIDED, That service may be rendered up to ~~((five hundred twenty-five))~~ eight hundred forty hours per school year without reduction of pension.

~~((3) In addition to the five hundred twenty-five hours of service permitted under subsection (2) of this section, a retired teacher or retired administrator may also serve only as a substitute teacher for up to an additional three hundred fifteen hours per school year without reduction of pension if:~~

~~— (a) A school district, which is not a member of a multidistrict substitute cooperative, determines that it has exhausted or can reasonably anticipate that it will exhaust its list of qualified and available substitutes and the school board of the district adopts a resolution to make its substitute teachers who are retired teachers or retired administrators eligible for the extended service once the list of qualified and available substitutes has been exhausted. The resolution by the school district shall state that the services of retired teachers and retired administrators are necessary to address the shortage of qualified and available substitutes. The resolution shall be valid only for the school year in which it is adopted. The district shall forward a copy of the resolution with a list of retired teachers and retired administrators who have been employed as substitute teachers to the department and may notify the retired teachers and retired administrators included on the list of their right to take advantage of the provisions of this subsection; or~~

~~— (b) A multidistrict substitute cooperative determines that the school districts have exhausted or can reasonably anticipate that they will exhaust their list of qualified and available substitutes and each of the school boards adopts a resolution to make their substitute teachers who are retired teachers or retired administrators eligible for the extended service once the list of qualified and available substitutes has been exhausted. The resolutions by each of the school districts shall state that the services of retired teachers and retired administrators are necessary to address the shortage of qualified and available substitutes. The resolutions shall be valid only for the school year in which they are adopted. The cooperative shall forward a copy of the resolutions with a list of retired teachers and retired administrators who have been employed as substitute teachers to the department and may notify the retired teachers and retired administrators included on the list of their right to take advantage of the provisions of this subsection.~~

~~— (4) In addition to the five hundred twenty-five hours of service permitted under subsection (2) of this section, a retired administrator or retired teacher may also serve as a substitute administrator up to an additional one hundred five hours per school year without reduction of pension if a school district board of directors adopts a resolution declaring that the services of a retired administrator or retired teacher are necessary because it cannot find a replacement administrator to fill a vacancy. The resolution shall be valid only for the school year in which it is adopted. The district shall forward a copy of the resolution with the name of the~~

retired administrator or retired teacher who has been employed as a substitute administrator to the department:

~~—(5) In addition to the five hundred twenty-five hours of service permitted under subsection (2) of this section and the one hundred five hours permitted under subsection (4) of this section, a retired principal may also serve as a substitute principal up to an additional two hundred ten hours per school year without a reduction of pension if a school district board of directors adopts a resolution declaring that the services of a retired principal are necessary because it cannot find a replacement principal to fill a vacancy. The resolution shall be valid only for the school year in which it is adopted. The district shall forward a copy of the resolution with the name of the retired principal who has been employed as a substitute principal to the department.~~

~~—(6) Subsection (2) of this section shall apply to all persons governed by the provisions of plan 1, regardless of the date of their retirement, but shall apply only to benefits payable after June 11, 1986.~~

~~—(7) Subsection (3) of this section shall apply to all persons governed by the provisions of plan 1, regardless of the date of their retirement, but shall only apply to benefits payable after September 1, 1994.)~~

(3) The department shall collect and provide the state actuary with information relevant to the use of this section for the joint committee on pension policy.

(4) The legislature reserves the right to amend or repeal this section in the future and no member or beneficiary has a contractual right to receive eight hundred forty hours per year of postretirement employment.

Passed the House March 13, 2001.

Passed the Senate April 10, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 318

[House Bill 1102]

FOSTER CARE—FOSTER PARENTS' RIGHTS—CHILD PLACEMENT

AN ACT Relating to foster parents' rights; amending RCW 74.13.280; and adding new sections to chapter 74.13 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 74.13 RCW to read as follows:

Foster parents have the right to be free of coercion, discrimination, and reprisal in serving foster children, including the right to voice grievances about treatment furnished or not furnished to the foster child.

***NEW SECTION.** Sec. 2. A new section is added to chapter 74.13 RCW to read as follows:

No department employee may retaliate against a foster parent or in any other manner discriminate against any foster parent because:

(1) The foster parent made a complaint with the office of family and children's ombudsman, the attorney general, law enforcement agencies, or the department, provided information, or otherwise cooperated with the investigation of such a complaint;

(2) The foster parent has caused to be instituted any proceedings under or related to Title 13 RCW;

(3) The foster parent has testified or is about to testify in any such proceedings;

(4) The foster parent has advocated for services on behalf of the foster child;

(5) The foster parent has sought to adopt a foster child in the foster parent's care; or

(6) The foster parent has discussed or consulted with anyone concerning the foster parent's rights under this chapter or chapter 74.15 or 13.34 RCW.

*Sec. 2 was vetoed. See message at end of chapter.

Sec. 3. RCW 74.13.280 and 1997 c 272 s 7 are each amended to read as follows:

(1) Except as provided in RCW 70.24.105, whenever a child is placed in out-of-home care by the department or a child-placing agency, the department or agency shall(~~(within available resources;))~~ share information about the child and the child's family with the care provider and shall(~~(within available resources;))~~ consult with the care provider regarding the child's case plan. If the child is dependent pursuant to a proceeding under chapter 13.34 RCW, the department or agency shall keep the care provider informed regarding the dates and location of dependency review and permanency planning hearings pertaining to the child.

(2) Any person who receives information about a child or a child's family pursuant to this section shall keep the information confidential and shall not further disclose or disseminate the information except as authorized by law.

(3) Nothing in this section shall be construed to limit the authority of the department or child-placing agencies to disclose client information or to maintain client confidentiality as provided by law.

NEW SECTION. **Sec. 4.** A new section is added to chapter 74.13 RCW to read as follows:

(1) No child may be placed or remain in a specific out-of-home placement under this chapter or chapter 13.34 RCW when there is a conflict of interest on the part of any adult residing in the home in which the child is to be or has been placed. A conflict of interest exists when:

(a) There is an adult in the home who, as a result of: (i) His or her employment; and (ii) an allegation of abuse or neglect of the child, conducts or has conducted an investigation of the allegation; or

(b) The child has been, is, or is likely to be a witness in any pending cause of action against any adult in the home when the cause includes: (i) An allegation of

abuse or neglect against the child or any sibling of the child; or (ii) a claim of damages resulting from wrongful interference with the parent-child relationship of the child and his or her biological or adoptive parent.

(2) For purposes of this section, "investigation" means the exercise of professional judgment in the review of allegations of abuse or neglect by: (a) Law enforcement personnel; (b) persons employed by, or under contract with, the state; (c) persons licensed to practice law and their employees; and (d) mental health professionals as defined in chapter 71.05 RCW.

(3) The prohibition set forth in subsection (1) of this section may not be waived or deferred by the department under any circumstance or at the request of any person, regardless of who has made the request or the length of time of the requested placement.

****NEW SECTION. Sec. 5. A new section is added to chapter 74.13 RCW to read as follows:***

(1) When the secretary has reasonable cause to believe that an employee has knowingly violated the conflict of interest provisions in section 4 of this act, notwithstanding any rule adopted under chapter 41.06 RCW, the secretary shall immediately suspend the employee.

(2) The secretary shall immediately institute proceedings to terminate the employment of any person who is found by the department, based upon a preponderance of the evidence, to have knowingly violated the conflict of interest provisions in section 4 of this act.

(3) When the secretary has reasonable cause to believe that the employee of a contractor has knowingly violated the conflict of interest provisions in section 4 of this act, the secretary shall require the employee of a contractor to be immediately removed from any employment position which would permit the employee to make or influence placement decisions.

(4) The secretary shall disqualify for employment with a contractor in any position which would permit the employee to make or influence placement decisions, any person who is found by the department, based upon a preponderance of evidence, to have knowingly violated the conflict of interest provisions of section 4 of this act.

(5) The secretary, when considering the renewal of a contract with a contractor who has taken action under subsection (3) or (4) of this section, shall require the contractor to demonstrate that there has been significant progress made in reducing the likelihood that the contractor's employees would knowingly violate the conflict of interest provisions in section 4 of this act. The secretary shall not renew a contract unless he or she determines that significant progress has been made.

(6) For purposes of RCW 50.20.060, a person terminated under this section shall be considered discharged for misconduct.

****Sec. 5 was vetoed. See message at end of chapter.***

Passed the House April 16, 2001.

Passed the Senate April 11, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 2 and 5, House Bill No. 1102 entitled:

"AN ACT Relating to foster parents' rights;"

House Bill No. 1102 states the rights foster parents have to be free from coercion, discrimination, reprisal and retaliation in serving foster children. It also confirms that the Department of Social and Health Services (DSHS) must share information about a foster child and the child's family with foster parents, and prevents children from being placed in homes where a foster parent may have a conflict of interest.

Section 2 of the bill would have expressly prohibited DSHS from retaliating or discriminating against a foster parent because of a complaint he or she may have made against DSHS, as well as several other foster parent protections.

While it is an excellent idea to articulate foster parents' rights and responsibilities, section 2 was flawed. The section was unclear, and may have created unintended broad new liabilities for the state. DSHS would have been placed in a no-win position where any action it might have taken involving a foster parent who has complained could result in a lawsuit.

Other states have enacted comprehensive laws establishing the rights of foster parents, and the Child Welfare League of America has a model foster parent rights and responsibilities document. Many of these states' statutes and the Child Welfare League of America document would provide a model for developing strong, workable foster parent laws in Washington.

Section 5 of the bill was designed to enforce section 2, and is unnecessary after the veto of section 2.

To help ensure that there is no retaliation against foster parents in our state, I will direct the Secretary of DSHS to heighten his oversight of this issue.

For these reasons, I have vetoed sections 2 and 5 of House Bill No. 1102.

With the exception of sections 2 and 5, House Bill No. 1102 is approved."

CHAPTER 319

[Substitute House Bill 1320]

ADULT FAMILY HOMES

AN ACT Relating to adult family homes; amending RCW 70.128.005, 70.128.010, 18.52C.020, 70.24.017, 70.128.007, 70.128.010, 70.128.090, and 70.128.120; adding new sections to chapter 70.128 RCW; adding a new section to chapter 74.39A RCW; repealing RCW 70.128.061 and 70.128.062; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 70.128.005 and 2000 c 121 s 4 are each amended to read as follows:

The legislature finds that adult family homes are an important part of the state's long-term care system. Adult family homes provide an alternative to institutional care and promote a high degree of independent living for residents. Persons with functional limitations have broadly varying service needs. Adult

family homes that can meet those needs are an essential component of a long-term system. The legislature further finds that different populations living in adult family homes, such as the developmentally disabled and the elderly, often have significantly different needs and capacities from one another.

It is the legislature's intent that department rules and policies relating to the licensing and operation of adult family homes recognize and accommodate the different needs and capacities of the various populations served by the homes. Furthermore, the development and operation of adult family homes that can provide quality personal care and special care services should be encouraged.

The legislature finds that many residents of community-based long-term care facilities are vulnerable and their health and well-being are dependent on their caregivers. The quality, skills, and knowledge of their caregivers are ((often)) the key to good care. The legislature finds that the need for well-trained caregivers is growing as the state's population ages and residents' needs increase. The legislature intends that current training standards be enhanced.

The legislature finds that the state of Washington has a compelling interest in protecting and promoting the health, welfare, and safety of vulnerable adults residing in adult family homes. The health, safety, and well-being of vulnerable adults must be the paramount concern in determining whether to issue a license to an applicant, whether to suspend or revoke a license, or whether to take other licensing actions.

Sec. 2. RCW 70.128.010 and 1995 c 260 s 2 are each amended to read as follows:

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

(1) "Adult family home" means a regular family abode in which a person or persons provide personal care, special care, room, and board to more than one but not more than six adults who are not related by blood or marriage to the person or persons providing the services.

(2) "Provider" means any person who is licensed under this chapter to operate an adult family home. For the purposes of this section, "person" means any individual, partnership, corporation, association, or limited liability company.

(3) "Department" means the department of social and health services.

(4) "Resident" means an adult in need of personal or special care in an adult family home who is not related to the provider.

(5) "Adults" means persons who have attained the age of eighteen years.

(6) "Home" means an adult family home.

(7) "Imminent danger" means serious physical harm to or death of a resident has occurred, or there is a serious threat to resident life, health, or safety.

(8) "Special care" means care beyond personal care as defined by the department, in rule.

(9) "Capacity" means the maximum number of persons in need of personal or special care permitted in an adult family home at a given time. This number shall include related children or adults in the home and who received special care.

(10) "Resident manager" means a person employed or designated by the provider to manage the adult family home.

Sec. 3. RCW 18.52C.020 and 1997 c 392 s 527 are each amended to read as follows:

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

(1) "Secretary" means the secretary of the department of health.

(2) "Health care facility" means a nursing home, hospital, hospice care facility, home health care agency, hospice agency, boarding home, ~~((adult family home;))~~ group home, or other entity for the delivery of health care or long-term care services, including chore services provided under chapter 74.39A RCW.

(3) "Nursing home" means any nursing home facility licensed pursuant to chapter 18.52 RCW.

(4) "Nursing pool" means any person engaged in the business of providing, procuring, or referring health care or long-term care personnel for temporary employment in health care facilities, such as licensed nurses or practical nurses, nursing assistants, and chore service providers. "Nursing pool" does not include an individual who only engages in providing his or her own services.

(5) "Person" includes an individual, firm, corporation, partnership, or association.

(6) "Adult family home" means a residential home licensed pursuant to chapter 70.128 RCW.

Sec. 4. RCW 70.24.017 and 1991 c 3 s 322 are each amended to read as follows:

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

(1) "Acquired immunodeficiency syndrome" or "AIDS" means the clinical syndrome of HIV-related illness as defined by the board of health by rule.

(2) "Board" means the state board of health.

(3) "Department" means the department of health, or any successor department with jurisdiction over public health matters.

(4) "Health care provider" means any person who is a member of a profession under RCW 18.130.040 or other person providing medical, nursing, psychological, or other health care services regulated by the department of health.

(5) "Health care facility" means a hospital, nursing home, neuropsychiatric or mental health facility, home health agency, hospice, child care agency, ~~((adult family home;))~~ group care facility, family foster home, clinic, blood bank, blood center, sperm bank, laboratory, or other social service or health care institution regulated or operated by the department of health.

(6) "HIV-related condition" means any medical condition resulting from infection with HIV including, but not limited to, seropositivity for HIV.

(7) "Human immunodeficiency virus" or "HIV" means all HIV and HIV-related viruses which damage the cellular branch of the human immune or neurological systems and leave the infected person immunodeficient or neurologically impaired.

(8) "Test for a sexually transmitted disease" means a test approved by the board by rule.

(9) "Legal guardian" means a person appointed by a court to assume legal authority for another who has been found incompetent or, in the case of a minor, a person who has legal custody of the child.

(10) "Local public health officer" means the officer directing the county health department or his or her designee who has been given the responsibility and authority to protect the health of the public within his or her jurisdiction.

(11) "Person" includes any natural person, partnership, association, joint venture, trust, public or private corporation, or health facility.

(12) "Release of test results" means a written authorization for disclosure of any sexually transmitted disease test result which is signed, dated, and which specifies to whom disclosure is authorized and the time period during which the release is to be effective.

(13) "Sexually transmitted disease" means a bacterial, viral, fungal, or parasitic disease, determined by the board by rule to be sexually transmitted, to be a threat to the public health and welfare, and to be a disease for which a legitimate public interest will be served by providing for regulation and treatment. The board shall designate chancroid, gonorrhea, granuloma inguinale, lymphogranuloma venereum, genital herpes simplex, chlamydia, nongonococcal urethritis (NGU), trachomitis, genital human papilloma virus infection, syphilis, acquired immunodeficiency syndrome (AIDS), and human immunodeficiency virus (HIV) infection as sexually transmitted diseases, and shall consider the recommendations and classifications of the centers for disease control and other nationally recognized medical authorities in designating other diseases as sexually transmitted.

(14) "State public health officer" means the secretary of health or an officer appointed by the secretary.

Sec. 5. RCW 70.128.007 and 1995 1st sp.s. c 18 s 19 are each amended to read as follows:

The purposes of this chapter are to:

(1) Encourage the establishment and maintenance of adult family homes that provide a humane, safe, and ~~((homelike)) residential home~~ environment for persons with functional limitations who need personal and special care;

(2) Establish standards for regulating adult family homes that adequately protect residents;

(3) Encourage consumers, families, providers, and the public to become active in assuring their full participation in development of adult family homes that provide high quality and cost-effective care;

(4) Provide for appropriate care of residents in adult family homes by requiring that each resident have a care plan that promotes the most appropriate level of physical, mental, and psychosocial well-being consistent with client choice; and

(5) Accord each resident the right to participate in the development of the care plan and in other major decisions involving the resident and their care.

Sec. 6. RCW 70.128.010 and 1995 c 260 s 2 are each amended to read as follows:

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

(1) "Adult family home" means a ~~((regular family abode))~~ residential home in which a person or persons provide personal care, special care, room, and board to more than one but not more than six adults who are not related by blood or marriage to the person or persons providing the services.

(2) "Provider" means any person who is licensed under this chapter to operate an adult family home. For the purposes of this section, "person" means any individual, partnership, corporation, association, or limited liability company.

(3) "Department" means the department of social and health services.

(4) "Resident" means an adult in need of personal or special care in an adult family home who is not related to the provider.

(5) "Adults" means persons who have attained the age of eighteen years.

(6) "Home" means an adult family home.

(7) "Imminent danger" means serious physical harm to or death of a resident has occurred, or there is a serious threat to resident life, health, or safety.

(8) "Special care" means care beyond personal care as defined by the department, in rule.

(9) "Capacity" means the maximum number of persons in need of personal or special care permitted in an adult family home at a given time. This number shall include related children or adults in the home and who received special care.

Sec. 7. RCW 70.128.090 and 1995 1st sp.s. c 18 s 24 are each amended to read as follows:

(1) During inspections of an adult family home, the department shall have access and authority to examine areas and articles in the home used to provide care or support to residents, including residents' records, accounts, and the physical premises, including the buildings, grounds, and equipment. The personal records of the provider are not subject to department inspection nor is the separate bedroom of the provider, not used in direct care of a client, subject to review. The department may inspect all rooms during the initial licensing of the home. However, during a complaint investigation, the department shall have access to the entire premises and all pertinent records when necessary to conduct official

business. The department also shall have the authority to interview the provider and residents of an adult family home.

(2) Whenever an inspection is conducted, the department shall prepare a written report that summarizes all information obtained during the inspection, and if the home is in violation of this chapter, serve a copy of the inspection report upon the provider at the same time as a notice of violation. This notice shall be mailed to the provider within ten working days of the completion of the inspection process. If the home is not in violation of this chapter, a copy of the inspection report shall be mailed to the provider within ten calendar days of the inspection of the home. All inspection reports shall be made available to the public at the department during business hours.

(3) The provider shall develop corrective measures for any violations found by the department's inspection. The department ~~((may))~~ shall upon request provide consultation and technical assistance to assist the provider in developing effective corrective measures. The department shall include a statement of the provider's corrective measures in the department's inspection report.

Sec. 8. RCW 70.128.120 and 2000 c 121 s 5 are each amended to read as follows:

Each adult family home provider and each resident manager shall have the following minimum qualifications:

(1) Twenty-one years of age or older;

(2) For those applying after September 1, 2001, to be licensed as providers, and for resident managers whose employment begins after September 1, 2001, a high school diploma or general educational development (GED) certificate;

(3) Good moral and responsible character and reputation;

~~((3))~~ (4) Literacy in the English language, however, a person not literate in the English language may meet the requirements of this subsection by assuring that there is a person on staff and available who is able to communicate or make provisions for communicating with the resident in his or her primary language and capable of understanding and speaking English well enough to be able to respond appropriately to emergency situations and be able to read and understand resident care plans;

~~((4))~~ (5) Management and administrative ability to carry out the requirements of this chapter;

~~((3))~~ (6) Satisfactory completion of department-approved basic training and continuing education training as specified by the department in rule, based on recommendations of the community long-term care training and education steering committee and working in collaboration with providers, consumers, caregivers, advocates, family members, educators, and other interested parties in the rule-making process;

~~((6))~~ (7) Satisfactory completion of department-approved, or equivalent, special care training before a provider may provide special care services to a resident;

~~((7))~~ (8) Not been convicted of any crime listed in RCW 43.43.830 and 43.43.842;~~(and~~

~~(8) Effective July 1, 1996;~~) (9) Registered with the department of health; and
 (10) For those applying after September 1, 2001, to be licensed as providers, and for resident managers whose employment begins after September 1, 2001, at least three hundred twenty hours of successful, direct caregiving experience obtained after age eighteen to vulnerable adults in a licensed or contracted setting prior to operating or managing an adult family home.

NEW SECTION. Sec. 9. A new section is added to chapter 70.128 RCW to read as follows:

Adult family homes shall comply with the provisions of chapter 70.24 RCW.

NEW SECTION. Sec. 10. A new section is added to chapter 70.128 RCW to read as follows:

In order to prevent disruption to current residents, at the request of the current licensed provider, the department shall give processing priority to the application of a person seeking to be licensed as the new provider for the adult family home. The department may issue a provisional license when a currently licensed adult family home provider has applied to be licensed as the new provider for a currently licensed adult family home, the application has been initially processed, and all that remains to complete the application process is an on-site inspection.

****NEW SECTION. Sec. 11. A new section is added to chapter 70.128 RCW to read as follows:***

The department shall implement, as part of the required training and continuing education, food safety training integrated into the curriculum that meets the standards established by the state board of health pursuant to chapter 69.06 RCW. Individual food handler permits are not required for persons who successfully complete the training.

*Sec. 11 was vetoed. See message at end of chapter.

****NEW SECTION. Sec. 12. A new section is added to chapter 70.128 RCW to read as follows:***

The department shall work with the providers and resident communities to develop opportunities for licensing and quality assurance staff to become familiar with the actual environment and the daily hands-on routine of care and services in an adult family home.

*Sec. 12 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 13. A new section is added to chapter 74.39A RCW to read as follows:

An employer providing home and community services, including facilities licensed under chapters 18.51, 18.20, and 70.128 RCW, an employer of a program authorized under RCW 71A.12.040(10), or an in-home services agency employer licensed under chapter 70.127 RCW, who discloses information about a former or current employee to a prospective home and community services employer,

nursing home employer, or are an in-home services agency employer, is presumed to be acting in good faith and is immune from civil and criminal liability for such disclosure or its consequences if the disclosed information relates to: (1) The employee's ability to perform his or her job; (2) the diligence, skill, or reliability with which the employee carried out the duties of his or her job; or (3) any illegal or wrongful act committed by the employee when related to his or her ability to care for a vulnerable adult. For purposes of this section, the presumption of good faith may only be rebutted upon a showing by clear and convincing evidence that the information disclosed by the employer was knowingly false or made with reckless disregard for the truth of the information disclosed. Should the employee successfully rebut the presumption of good faith standard in a court of competent jurisdiction, and therefore be the prevailing party, the prevailing party shall be entitled to recover reasonable attorneys' fees against the employer. Nothing in this section shall affect or limit any other state, federal, or constitutional right otherwise available.

NEW SECTION. **Sec. 14.** The following acts or parts of acts are each repealed:

(1) RCW 70.128.061 (Moratorium on authorization of adult family home licenses) and 1997 c 392 s 402; and

(2) RCW 70.128.062 (Rule-making authority to implement RCW 70.128.061) and 1997 c 392 s 403.

***NEW SECTION.** **Sec. 15.** *Section 11 of this act takes effect March 2, 2002.*

***Sec. 15 was vetoed. See message at end of chapter.**

Passed the House April 16, 2001.

Passed the Senate April 5, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 11, 12 and 15, Substitute House Bill No. 1320 entitled:

"AN ACT Relating to adult family homes;"

Substitute House Bill No. 1320 strengthens and improves the training, licensing and inspection processes for adult family homes. Adult family homes are an integral part of our long-term care system. I support the efforts to balance the need of the Department of Social and Health Services (DSHS) to ensure a high quality of care, and the need of providers for certainty in the licensing and inspection processes.

Section 11 of the bill would have eliminated the requirement that employees in adult family homes have food handler permits from the Department of Health (DOH). Instead, DSHS would have been required to include food safety training in its regular training and continuing education curricula. Asking DSHS to provide education on food safety and to enforce DOH rules is not efficient or effective. In addition, under current law food handler permits must be obtained within fourteen days of employment. The DSHS training must be obtained with six months of the date of employment. Food safety is too important to delay the training in this manner.

Section 12 of the bill would have required DSHS to work with providers and resident communities to develop opportunities for its staff to become familiar with the routines of adult family homes. This language is vague and unenforceable. It is also insulting to the agency staff, because it implies that DSHS employees are unfamiliar with the industry they are regulating. Opportunities for exchanges of information and experience can be developed without a statutory requirement. I encourage DSHS to take these steps but it need not be mandated by statute.

Section 15 is unnecessary because it sets the implementation date for section 11.

For these reasons, I have vetoed sections 11, 12 and 15 of Substitute House Bill No. 1320.

With the exception of sections 11, 12 and 15, Substitute House Bill No. 1320 is approved."

CHAPTER 320

[House Bill 1361]

EXCISE TAX APPLICATION AND ADMINISTRATION

AN ACT Relating to simplifying excise tax application and administration; amending RCW 11.02.005, 82.04.2635, 82.04.2907, 82.08.0287, 82.12.0282, 82.12.834, 82.14.055, 82.27.020, 82.32.410, 82.32.430, 82.62.010, 82.62.030, 82.62.050, 83.100.020, and 84.33.200; adding a new section to chapter 82.16 RCW; adding a new section to chapter 84.33 RCW; adding a new section to chapter 82.04 RCW; creating new sections; prescribing penalties; providing an effective date; providing expiration dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 11.02.005 and 2000 c 130 s 1 are each amended to read as follows:

When used in this title, unless otherwise required from the context:

(1) "Personal representative" includes executor, administrator, special administrator, and guardian or limited guardian and special representative.

(2) "Net estate" refers to the real and personal property of a decedent exclusive of homestead rights, exempt property, the family allowance and enforceable claims against, and debts of, the deceased or the estate.

(3) "Representation" refers to a method of determining distribution in which the takers are in unequal degrees of kinship with respect to the intestate, and is accomplished as follows: After first determining who, of those entitled to share in the estate, are in the nearest degree of kinship, the estate is divided into equal shares, the number of shares being the sum of the number of persons who survive the intestate who are in the nearest degree of kinship and the number of persons in the same degree of kinship who died before the intestate but who left issue surviving the intestate; each share of a deceased person in the nearest degree shall be divided among those of the deceased person's issue who survive the intestate and have no ancestor then living who is in the line of relationship between them and the intestate, those more remote in degree taking together the share which their ancestor would have taken had he or she survived the intestate. Posthumous children are considered as living at the death of their parent.

(4) "Issue" includes all the lawful lineal descendants of the ancestor and all lawfully adopted children.

(5) "Degree of kinship" means the degree of kinship as computed according to the rules of the civil law; that is, by counting upward from the intestate to the nearest common ancestor and then downward to the relative, the degree of kinship being the sum of these two counts.

(6) "Heirs" denotes those persons, including the surviving spouse, who are entitled under the statutes of intestate succession to the real and personal property of a decedent on the decedent's death intestate.

(7) "Real estate" includes, except as otherwise specifically provided herein, all lands, tenements, and hereditaments, and all rights thereto, and all interest therein possessed and claimed in fee simple, or for the life of a third person.

(8) "Will" means an instrument validly executed as required by RCW 11.12.020.

(9) "Codicil" means a will that modifies or partially revokes an existing earlier will. A codicil need not refer to or be attached to the earlier will.

(10) "Guardian" or "limited guardian" means a personal representative of the person or estate of an incompetent or disabled person as defined in RCW 11.88.010 and the term may be used in lieu of "personal representative" wherever required by context.

(11) "Administrator" means a personal representative of the estate of a decedent and the term may be used in lieu of "personal representative" wherever required by context.

(12) "Executor" means a personal representative of the estate of a decedent appointed by will and the term may be used in lieu of "personal representative" wherever required by context.

(13) "Special administrator" means a personal representative of the estate of a decedent appointed for limited purposes and the term may be used in lieu of "personal representative" wherever required by context.

(14) "Trustee" means an original, added, or successor trustee and includes the state, or any agency thereof, when it is acting as the trustee of a trust to which chapter 11.98 RCW applies.

(15) "Nonprobate asset" means those rights and interests of a person having beneficial ownership of an asset that pass on the person's death under a written instrument or arrangement other than the person's will. "Nonprobate asset" includes, but is not limited to, a right or interest passing under a joint tenancy with right of survivorship, joint bank account with right of survivorship, payable on death or trust bank account, transfer on death security or security account, deed or conveyance if possession has been postponed until the death of the person, trust of which the person is grantor and that becomes effective or irrevocable only upon the person's death, community property agreement, individual retirement account or bond, or note or other contract the payment or performance of which is affected by the death of the person. "Nonprobate asset" does not include: A payable-on-death provision of a life insurance policy, annuity, or other similar contract, or of an employee benefit plan; a right or interest passing by descent and distribution under

chapter 11.04 RCW; a right or interest if, before death, the person has irrevocably transferred the right or interest, the person has waived the power to transfer it or, in the case of contractual arrangement, the person has waived the unilateral right to rescind or modify the arrangement; or a right or interest held by the person solely in a fiduciary capacity. For the definition of "nonprobate asset" relating to revocation of a provision for a former spouse upon dissolution of marriage or declaration of invalidity of marriage, RCW 11.07.010(5) applies. For the definition of "nonprobate asset" relating to revocation of a provision for a former spouse upon dissolution of marriage or declaration of invalidity of marriage, see RCW 11.07.010(5). For the definition of "nonprobate asset" relating to testamentary disposition of nonprobate assets, see RCW 11.11.010(7).

(16) "Internal Revenue Code" means the United States Internal Revenue Code of 1986, as amended or renumbered ~~((on))~~ as of January 1, ~~((+999))~~ 2001.

(17) References to "section 2033A" of the Internal Revenue Code in wills, trust agreements, powers of appointment, beneficiary designations, and other instruments governed by or subject to this title shall be deemed to refer to the comparable or corresponding provisions of section 2057 of the Internal Revenue Code, as added by section 6006(b) of the Internal Revenue Service Restructuring Act of 1998 (H.R. 2676, P.L. 105-206); and references to the section 2033A "exclusion" shall be deemed to mean the section 2057 deduction.

Words that import the singular number may also be applied to the plural of persons and things.

Words importing the masculine gender only may be extended to females also.

Sec. 2. RCW 82.04.2635 and 1998 c 308 s 3 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of environmental remedial action, the amount of tax with respect to such business shall be equal to the value of the gross income of the business multiplied by the rate 0.471 percent.

(2) For purposes of this chapter, "environmental remedial action" means:

(a) Those services related to the identification, investigation, or cleanup arising out of the release or threatened release of hazardous substances that are conducted under contract with the department of ecology or under an enforcement order, agreed order, or consent decree executed by the department of ecology, or those services, when evaluated as a whole, that are the substantial equivalent of a department of ecology-conducted or supervised remedial action under the model toxics control act, chapter 70.105D RCW; or

(b) Those services related to the identification, investigation, or cleanup of a facility that are conducted under contract with the United States environmental protection agency or under an order or consent decree executed by the United States environmental protection agency, or that are consistent with the national contingency plan adopted under the comprehensive environmental response compensation and liability act, 42 U.S.C. Sec. 9605 as it exists on July 1, 1998, and

those services are conducted at facilities that are included on the national priorities list adopted under 42 U.S.C. Sec. 9605 as it exists on July 1, 1998, or at facilities subject to a removal action authorized under 42 U.S.C. Sec. 9604 as it exists on July 1, 1998.

(3) A site is eligible for environmental remedial action upon submittal, via certified mail to the department of ecology and the department of revenue, of the following:

(a) A certification from the owner, the department of ecology, or the United States environmental protection agency, containing the following information:

(i) The location of the site, shown on a map and identified by parcel number or numbers and street address;

(ii) The name and address and daytime phone number of a contact person;

(iii) A statement that the proposed environmental remedial actions will be conducted by the department of ecology or its authorized contractor under chapter 70.105D RCW or will be substantially equivalent to a department of ecology-conducted or supervised remedial action under the model toxics control act, chapter 70.105D RCW, or will be conducted by the United States environmental protection agency or its authorized contractor or will be consistent with the national contingency plan under 42 U.S.C. Sec. 9605 as it exists on July 1, 1998; and

(iv) A description of the proposed environmental remedial actions to be taken; and

(b)(i) A certification from a certified underground storage tank service supervisor as authorized in chapter 90.76 RCW, from a professional engineer licensed in the state of Washington, or from an environmental professional who subscribes to a code of professional responsibility administered by a recognized organization representing such professions containing the following information:

(A) Confirmation that an environmental remedial action as defined in this section is to be conducted at the site;

(B) The location of the site, shown on a map and identified by parcel number or numbers and street address, and the approximate location of the proposed environmental remedial action; and

(C) The name, address, telephone number, and uniform business identifier of the person providing the certification; or

(ii) If applicable to the site, a copy of an enforcement order, agreed order, or consent decree executed by the department of ecology or the United States environmental protection agency.

(4) The department of revenue shall respond in writing to the owner within thirty days confirming receipt of the certification, or certifications, of eligibility. Under RCW 82.32.330(3)(m), certification is subject to disclosure and copies may be obtained from the department upon request. The request shall be in writing and shall identify the site by county and parcel number or numbers.

(5) The owner shall provide a copy of the confirmation from the department of revenue to each person who renders environmental remedial action at the site.

Each person who renders such action shall separately state the charges for labor and services associated with the environmental remedial action.

(6) Upon completion of the environmental remedial action, the owner shall submit to the department of ecology a report documenting the environmental remedial actions conducted at the site and documenting compliance with the requirements of chapter 70.105D RCW.

(7) In addition to any other penalties, a person who files a certificate with the department of ecology or the department of revenue that contains falsehoods or misrepresentations are subject to penalties authorized under chapter 18.43 or 90.76 RCW or RCW 9A.76.175. Also, a person who improperly reports the person's tax class shall be assessed a penalty of fifty percent of the tax due, in addition to other taxes or penalties, together with interest. The department of revenue shall waive the penalty imposed under this section if it finds that the falsehoods or misrepresentations or improper reporting of the tax classification was due to circumstances beyond the control of the person.

(8) This section expires July 1, 2003.

Sec. 3. RCW 82.04.2907 and 1998 c 331 s 1 are each amended to read as follows:

Upon every person engaging within this state in the business of receiving income from royalties or charges in the nature of royalties for the granting of intangible rights, such as copyrights, licenses, patents, or franchise fees, the amount of tax with respect to such business shall be equal to the gross income from royalties or charges in the nature of royalties from the business multiplied by the rate of 0.484 percent.

"Royalties" means compensation for the use of intangible property, such as copyrights, patents, licenses, franchises, trademarks, trade names, and similar items. It does not include compensation for any natural resource or licensing of canned software to the end user.

Sec. 4. RCW 82.08.0287 and 1996 c 244 s 4 are each amended to read as follows:

The tax imposed by this chapter shall not apply to sales of passenger motor vehicles which are to be used for commuter ride sharing or ride sharing for persons with special transportation needs, as defined in RCW 46.74.010, if the vehicles are used as ride-sharing vehicles ((are exempt under RCW 82.44.015)) for thirty-six consecutive months beginning ((within thirty days of application for exemption under this section. If used as a ride-sharing vehicle for less than thirty-six consecutive months, the registered owner of one of these vehicles shall notify the department of revenue upon termination of primary use of the vehicle as a ride-sharing vehicle and is liable for the tax imposed by this chapter)) from the date of purchase.

To qualify for the tax exemption, those passenger motor vehicles with five or six passengers, including the driver, used for commuter ride-sharing, must be operated either within the state's eight largest counties that are required to develop

commute trip reduction plans as directed by chapter 70.94 RCW or in other counties, or cities and towns within those counties, that elect to adopt and implement a commute trip reduction plan. Additionally at least one of the following conditions must apply: (1) The vehicle must be operated by a public transportation agency for the general public; or (2) the vehicle must be used by a major employer, as defined in RCW 70.94.524 as an element of its commute trip reduction program for their employees; or (3) the vehicle must be owned and operated by individual employees and must be registered either with the employer as part of its commute trip reduction program or with a public transportation agency serving the area where the employees live or work. Individual employee owned and operated motor vehicles will require certification that the vehicle is registered with a major employer or a public transportation agency. Major employers who own and operate motor vehicles for their employees must certify that the commuter ride-sharing arrangement conforms to a carpool/vanpool element contained within their commute trip reduction program.

Sec. 5. RCW 82.12.0282 and 1999 c 358 s 11 are each amended to read as follows:

The tax imposed by this chapter shall not apply with respect to the use of passenger motor vehicles used as ride-sharing vehicles by not less than five persons, including the driver, with a gross vehicle weight not to exceed 10,000 pounds where the primary usage is for commuter ride-sharing, as defined in RCW 46.74.010, by not less than four persons including the driver when at least two of those persons are confined to wheelchairs when riding, or passenger motor vehicles where the primary usage is for ride-sharing for persons with special transportation needs, as defined in RCW 46.74.010, if the vehicles are ~~((exempt under RCW 82.44.015))~~ used as ride-sharing vehicles for thirty-six consecutive months beginning ~~((within thirty days of application for exemption under this section. If used as a ride-sharing vehicle for less than thirty-six consecutive months, the registered owner of one of these vehicles shall notify the department of revenue upon termination of primary use of the vehicle as a ride-sharing vehicle and is liable for the tax imposed by this chapter))~~ with the date of first use.

To qualify for the tax exemption, those passenger motor vehicles with five or six passengers, including the driver, used for commuter ride-sharing, must be operated either within the state's eight largest counties that are required to develop commute trip reduction plans as directed by chapter 70.94 RCW or in other counties, or cities and towns within those counties, that elect to adopt and implement a commute trip reduction plan. Additionally at least one of the following conditions must apply: (1) The vehicle must be operated by a public transportation agency for the general public; or (2) the vehicle must be used by a major employer, as defined in RCW 70.94.524 as an element of its commute trip reduction program for their employees; or (3) the vehicle must be owned and operated by individual employees and must be registered either with the employer as part of its commute trip reduction program or with a public transportation

agency serving the area where the employees live or work. Individual employee owned and operated motor vehicles will require certification that the vehicle is registered with a major employer or a public transportation agency. Major employers who own and operate motor vehicles for their employees must certify that the commuter ride-sharing arrangement conforms to a carpool/vanpool element contained within their commute trip reduction program.

Sec. 6. RCW 82.12.834 and 2000 2nd sp.s. c 4 s 22 are each amended to read as follows:

This chapter does not apply to the use of tangible personal property by a seller/lessee (~~to a lessor~~) under a sale/leaseback agreement under RCW 81.112.300 in respect to tangible personal property used by the seller/lessee, or to the (~~purchase amount paid by the lessee~~) use of tangible personal property under an exercise of an option to purchase at the end of the lease term, but only if the seller/lessee previously paid any tax otherwise due under this chapter or chapter 82.08 RCW at the time of acquisition of the tangible personal property.

Sec. 7. RCW 82.14.055 and 2000 c 104 s 2 are each amended to read as follows:

(1) ~~Except as provided in subsection (2) of this section,~~ a local sales and use tax change shall take effect (a) no sooner than seventy-five days after the department receives notice of the change and (b) only on the first day of January, April, July, or October.

(2) In the case of a local sales and use tax that is a credit against the state sales tax or use tax, a local sales and use tax change shall take effect (a) no sooner than thirty days after the department receives notice of the change and (b) only on the first day of a month.

(3) For the purposes of this section, "local sales and use tax change" means enactment or revision of local sales and use taxes under this chapter or any other statute, including changes resulting from referendum or annexation.

NEW SECTION. Sec. 8. A new section is added to chapter 82.16 RCW to read as follows:

The business of collection, receipt, transfer, including transportation between any locations, storage, or disposal of solid waste is not subject to this chapter. Any such business activities are subject to taxation under the classification in RCW 82.04.290(2). "Solid waste" for purposes of this section is defined in RCW 82.18.010.

Sec. 9. RCW 82.27.020 and 1999 c 126 s 3 are each amended to read as follows:

(1) In addition to all other taxes, licenses, or fees provided by law there is established an excise tax on the commercial possession of enhanced food fish as provided in this chapter. The tax is levied upon and shall be collected from the owner of the enhanced food fish whose possession constitutes the taxable event. The taxable event is the first possession in Washington by an owner after the

enhanced food fish has been landed. Processing and handling of enhanced food fish by a person who is not the owner is not a taxable event to the processor or bandler.

(2) A person in possession of enhanced food fish and liable to this tax may deduct from the price paid to the person from which the enhanced food fish (except oysters) are purchased an amount equal to a tax at one-half the rate levied in this section upon these products.

(3) The measure of the tax is the value of the enhanced food fish at the point of landing.

(4) The tax shall be equal to the measure of the tax multiplied by the rates for enhanced food fish as follows:

(a) Chinook, coho, and chum salmon and anadromous game fish: Five and twenty-five one-hundredths percent;

(b) Pink and sockeye salmon: Three and fifteen one-hundredths percent;

(c) Other food fish and shellfish, except oysters, sea urchins, and sea cucumbers: Two and one-tenth percent;

(d) Oysters: Eight one-hundredths of one percent;

(e) Sea urchins: Four and six-tenths percent through December 31, 2005, and two and one-tenth percent thereafter; and

(f) Sea cucumbers: Four and six-tenths percent through December 31, 2005, and two and one-tenth percent thereafter.

(5) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (4) of this section.

Sec. 10. RCW 82.32.410 and 1997 c 409 s 211 are each amended to read as follows:

(1) The director may designate certain written determinations as precedents.

(a) By rule adopted pursuant to chapter 34.05 RCW, the director shall adopt criteria which he or she shall use to decide whether a determination is precedential. These criteria shall include, but not be limited to, whether the determination clarifies an unsettled interpretation of Title 82 RCW or where the determination modifies or clarifies an earlier interpretation.

(b) Written determinations designated as precedents by the director shall be ~~((indexed by subject matter. The determinations and indexes shall be))~~ made available for public inspection and shall be published by the department.

(c) The department shall disclose any written determination upon which it relies to support any assessment of tax, interest, or penalty against such taxpayer, after making the deletions provided by subsection (2) of this section.

(2) Before making a written determination available for public inspection under subsection (1) of this section, the department shall delete:

(a) The names, addresses, and other identifying details of the person to whom the written determination pertains and of another person identified in the written determination; and

(b) Information the disclosure of which is specifically prohibited by any statute applicable to the department of revenue, and the department may also delete other information exempted from disclosure by chapter 42.17 RCW or any other statute applicable to the department of revenue.

Sec. 11. RCW 82.32.430 and 2000 c 104 s 4 are each amended to read as follows:

A person who collects and remits sales or use tax to the department and who calculates the tax using geographic information system technology developed and provided by the department shall be held harmless and is not liable for the difference in amount due nor subject to penalties or interest in regards to rate calculation errors resulting from the proper use of such technology.

Sec. 12. RCW 82.62.010 and 1999 sp.s. c 9 s 3 are each amended to read as follows:

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

(1) "Applicant" means a person applying for a tax credit under this chapter.

(2) "Department" means the department of revenue.

(3) "Eligible area" means an area as defined in RCW 82.60.020.

(4)(a) "Eligible business project" means manufacturing or research and development activities which are conducted by an applicant in an eligible area at a specific facility, provided the applicant's average full-time qualified employment positions at the specific facility will be at least fifteen percent greater in the year for which the credit is being sought than the applicant's average full-time qualified employment positions at the same facility in the immediately preceding year.

(b) "Eligible business project" does not include any portion of a business project undertaken by a light and power business as defined in RCW 82.16.010(5) or that portion of a business project creating qualified full-time employment positions outside an eligible area (~~or those recipients of a sales tax deferral under chapter 82.61 RCW~~).

(5) "Manufacturing" means the same as defined in RCW 82.04.120. "Manufacturing" also includes computer programing, the production of computer software, and other computer-related services, and the activities performed by research and development laboratories and commercial testing laboratories.

(6) "Person" has the meaning given in RCW 82.04.030.

(7) "Qualified employment position" means a permanent full-time employee employed in the eligible business project during the entire tax year.

(8) "Tax year" means the calendar year in which taxes are due.

(9) "Recipient" means a person receiving tax credits under this chapter.

(10) "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun. As used in this subsection, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts

from such sales of the product, service, or process do not exceed one million dollars.

Sec. 13. RCW 82.62.030 and 1999 c 164 s 306 are each amended to read as follows:

(1) A person shall be allowed a credit against the tax due under chapter 82.04 RCW as provided in this section. The credit shall equal: (a) Four thousand dollars for each qualified employment position with wages and benefits greater than forty thousand dollars annually that is directly created in an eligible business and (b) two thousand dollars for each qualified employment position with wages and benefits less than or equal to forty thousand dollars annually that is directly created in an eligible business.

(2) The department shall keep a running total of all credits ~~((granted))~~ allowed under this chapter during each fiscal year. The department shall not allow any credits which would cause the ~~((tabulation))~~ total to exceed seven million five hundred thousand dollars in any fiscal year. If all or part of an application for credit is disallowed under this subsection, the disallowed portion shall be carried over ~~((for approval))~~ to the next fiscal year. However, the ~~((applicant's))~~ carryover into the next fiscal year is only permitted ~~((if))~~ to the extent that the ~~((tabulation))~~ cap for the next fiscal year ~~((does))~~ is not ~~((exceed the cap for that fiscal year as of the date on which the department has disallowed the application))~~ exceeded.

(3) No recipient may use the tax credits to decertify a union or to displace existing jobs in any community in the state.

(4) ~~((No recipient may receive a tax credit on taxes which have not been paid during the taxable year))~~ The credit may be used against any tax due under chapter 82.04 RCW, and may be carried over until used. No refunds may be granted for credits under this section.

Sec. 14. RCW 82.62.050 and 1986 c 116 s 18 are each amended to read as follows:

(1) Each recipient shall submit a report to the department on ~~((December))~~ January 31st ~~((of each year))~~ following the year the application for credit was allowed. The report shall contain information, as required by the department, from which the department may determine whether the recipient is meeting the requirements of this chapter. If the recipient fails to submit a report or submits an inadequate report, the department may declare the amount of taxes for which a credit has been used to be immediately assessed and payable. The recipient must keep records, such as payroll records showing the date of hire and employment security reports, to verify eligibility under this section.

(2) If, on the basis of a report under this section or other information, the department finds that a business project is not eligible for tax credit under this chapter for reasons other than failure to create the required number of qualified employment positions, the amount of taxes for which a credit has been used for the project shall be immediately due.

(3) If, on the basis of a report under this section or other information, the department finds that a business project has failed to create the specified number of qualified employment positions, the department shall assess interest, but not penalties, on the credited taxes for which a credit has been used for the project. The interest shall be assessed at the rate provided for delinquent excise taxes, shall be assessed retroactively to the date of the tax credit, and shall accrue until the taxes for which a credit has been used are repaid.

Sec. 15. RCW 83.100.020 and 1999 c 358 s 19 are each amended to read as follows:

As used in this chapter:

- (1) "Decedent" means a deceased individual;
- (2) "Department" means the department of revenue, the director of that department, or any employee of the department exercising authority lawfully delegated to him by the director;
- (3) "Federal credit" means (a) for a transfer, the maximum amount of the credit for state taxes allowed by section 2011 of the Internal Revenue Code; and (b) for a generation-skipping transfer, the maximum amount of the credit for state taxes allowed by section 2604 of the Internal Revenue Code;
- (4) "Federal return" means any tax return required by chapter 11 or 13 of the Internal Revenue Code;
- (5) "Federal tax" means (a) for a transfer, a tax under chapter 11 of the Internal Revenue Code; and (b) for a generation-skipping transfer, the tax under chapter 13 of the Internal Revenue Code;
- (6) "Generation-skipping transfer" means a "generation-skipping transfer" as defined and used in section 2611 of the Internal Revenue Code;
- (7) "Gross estate" means "gross estate" as defined and used in section 2031 of the Internal Revenue Code;
- (8) "Nonresident" means a decedent who was domiciled outside Washington at his death;
- (9) "Person" means any individual, estate, trust, receiver, cooperative association, club, corporation, company, firm, partnership, joint venture, syndicate, or other entity and, to the extent permitted by law, any federal, state, or other governmental unit or subdivision or agency, department, or instrumentality thereof;
- (10) "Person required to file the federal return" means any person required to file a return required by chapter 11 or 13 of the Internal Revenue Code, such as the personal representative of an estate; or a transferor, trustee, or beneficiary of a generation-skipping transfer; or a qualified heir with respect to qualified real property, as defined and used in section 2032A(c) of the Internal Revenue Code;
- (11) "Property" means (a) for a transfer, property included in the gross estate; and (b) for a generation-skipping transfer, all real and personal property subject to the federal tax;
- (12) "Resident" means a decedent who was domiciled in Washington at time of death;

(13) "Transfer" means "transfer" as used in section 2001 of the Internal Revenue Code, or a disposition or cessation of qualified use as defined and used in section 2032A(c) of the Internal Revenue Code;

(14) "Trust" means "trust" under Washington law and any arrangement described in section 2652 of the Internal Revenue Code; and

(15) "Internal Revenue Code" means, for the purposes of this chapter and RCW 83.110.010, the United States Internal Revenue Code of 1986, as amended or renumbered ((on)) as of January 1, ((+999)) 2001.

NEW SECTION. Sec. 16. A new section is added to chapter 84.33 RCW to read as follows:

(1) A purchaser of privately owned timber in an amount in excess of two hundred thousand board feet in a voluntary sale made in the ordinary course of business shall, on or before the last day of the month following the purchase of the timber, report the particulars of the purchase to the department.

(2) The report required in subsection (1) of this section shall contain all information relevant to the value of the timber purchased including, but not limited to, the following, as applicable: Purchaser's name and address, sale date, termination date in sale agreement, total sale price, total acreage involved in the sale, net volume of timber purchased, legal description of the area involved in the sale, road construction or improvements required or completed, timber cruise data, and timber thinning data. A report may be submitted in any reasonable form or, at the purchaser's option, by submitting relevant excerpts of the timber sales contract. A purchaser may comply by submitting the information in the following form:

- Purchaser's name:
- Purchaser's address:
- Sale date:
- Termination date:
- Total sale price:
- Total acreage involved:
- Net volume of timber purchased:
- Legal description of sale area:
- Property improvements:
- Timber cruise data:
- Timber thinning data:

(3) A purchaser of privately owned timber involved in a purchase described in subsection (1) of this section who fails to report a purchase as required may be liable for a penalty of two hundred fifty dollars for each failure to report, as determined by the department.

(4) This section expires July 1, 2004.

Sec. 17. RCW 84.33.200 and 1998 c 245 s 170 are each amended to read as follows:

(1) The legislature shall review the system of distribution and allocation of all timber excise tax revenues in January 1975 and each year thereafter to provide a uniform and equitable distribution and allocation of such revenues to the state and local taxing districts.

(2) In order to allow legislative review of the rules to be adopted by the department of revenue establishing the stumpage values provided for in RCW 84.33.091, such rules shall be effective not less than ~~((sixty))~~ thirty days after transmitting to the staffs of the senate and house ways and means committees (or their successor committees) the same proposed rules as have been previously filed with the office of the code reviser pursuant to RCW 34.05.320.

(3) The department of revenue and the department of natural resources shall make available to the revenue committees of the senate and house of representatives of the state legislature information and data, as it may be available, pertaining to the status of forest land grading throughout the state, the collection of timber excise tax revenues, the distribution and allocation of timber excise tax revenues to the state and local taxing districts, and any other information as may be necessary for the proper legislative review and implementation of the timber excise tax system, and in addition, the departments shall provide an annual report of such matters in January of each year to such committees.

NEW SECTION. Sec. 18. The legislature finds that the application of the business and occupation tax deduction provided in RCW 82.04.4281 for investment income of persons other than those engaging in banking, loan, security, or other financial businesses has been the subject of disagreement between taxpayers and the state. Decisions of the supreme court have provided some broad guidelines and principles for interpretation of the deduction provided in RCW 82.04.4281, but these decisions have not provided the certainty and clarity that is desired by taxpayers and the state. Therefore, it is the intent of the legislature to delay change in the manner or extent of taxation of the investment income until definitions or standards can be developed and enacted by the legislature.

***NEW SECTION.** Sec. 19. *A new section is added to chapter 82.04 RCW to read as follows:*

(1) The department of revenue shall not assess nor impose business and occupation tax on investment income of persons engaging in business activities of a character that have not previously been determined by the department to be an other financial business under RCW 82.04.4281 through:

(a) A final decision of a court of record. However, this subsection shall not be construed to deny the deduction to any person other than the specific taxpayer covered in the court's decision;

(b) Excise tax advisories published prior to January 1, 2001; or

(c) Rulings or determinations issued by the department of revenue to a specific taxpayer prior to January 1, 2001. However, this subsection shall not be construed to deny the deduction to any person other than the specific taxpayer covered in the ruling or determination.

(2) Nothing in this act shall be construed to prohibit the department of revenue from granting the deduction by means of revocation of previous determinations set forth in subsection (1)(a), (b), or (c) of this section.

(3) This section expires July 1, 2002.

*Sec. 19 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 20. The department of revenue shall report to the fiscal committees of the legislature by November 30, 2001, on the progress made in working with affected businesses on potential amendments to RCW 82.04.4281 which would clarify the application of RCW 82.04.4281 to other financial businesses.

NEW SECTION. Sec. 21. The code reviser shall place cross-reference sections to RCW 82.14.055 and 82.32.430 in chapters 67.28 and 67.40 RCW.

NEW SECTION. Sec. 22. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the House April 17, 2001.

Passed the Senate April 12, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 19, House Bill No. 1361 entitled:

"AN ACT Relating to simplifying excise tax application and administration;"

House Bill No. 1361 was introduced as the Department of Revenue's annual housekeeping bill. It makes several technical corrections and clarifications to the law implemented by the Department. However, it was amended to include sections 18 and 19, provisions that affect the Business & Occupation (B&O) tax treatment of money earned from investments by businesses other than banks, loan, security or other financial businesses.

Section 19 of the bill would have implemented the intent expressed in section 18, which is to delay any change in the manner or extent of taxation of certain investment income as a result of the recent Washington Supreme Court decision, *Simpson Investment Co. v. Department of Revenue*. However, parties on both sides of the discussion agree that section 19 is clearly unconstitutional. Section 19 would require the Department to treat similarly situated taxpayers differently, contrary to principles of sound tax administration and the equal protection clauses of the state and federal constitutions. Also, the fiscal cost of a successful challenge would be much greater than the legislature assumed when it enacted this bill.

I fully support the goals inherent in section 19 of this bill. However, we should not make tax policy or administrative changes until there has been a thorough evaluation of the implications of the Washington Supreme Court's ruling on the affected parties.

I have directed the Department to adhere to the spirit of section 19 and to not change or expand the application of the law to include activities that heretofore have not been made subject to the tax. The Department will continue to apply pre-*Simpson Investment Co.* policies and interpretations with respect to RCW 82.04.4281. I have further directed the Department to work closely with all affected parties to develop a suitable, constitutional proposal that can be considered by the legislature in 2002.

The Director has formed a task force including representatives of Frank Russell Co., Microsoft, Washington Mutual Bank, Safeco, Allied Daily Newspapers, and Eagle River Partners, as well as Arthur Anderson, Perkins Coie, Davis Wright Tremaine, Steel Rives, the Association of Washington Business and the Washington State Bar Association on behalf of clients and general interests. I fully anticipate that this group, working cooperatively with the Department, will be able to reach a consensus.

It is important that actions of the legislative and executive branches of government not result in actual or perceived damage to our business climate. The business community is understandably concerned about the implications of the *Simpson Investment Co.* case. However, I cannot in good conscience sign into a law a provision that is clearly unconstitutional and unfair to some businesses. Additionally, I reiterate that the Department will continue to apply only pre-*Simpson Investment Co.* policies and interpretations with respect to RCW 82.04.4281.

For these reasons, I have vetoed section 19 of House Bill No. 1361.

With the exception of section 19, House Bill No. 1361 is approved."

CHAPTER 321

[Engrossed Substitute House Bill 1364]

GENERAL ANESTHESIA SERVICES

AN ACT Relating to general anesthesia services; adding a new section to chapter 41.05 RCW; and adding a new section to chapter 48.43 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 41.05 RCW to read as follows:

(1) Each employee benefit plan offered to public employees that provides coverage for hospital, medical, or ambulatory surgery center services must cover general anesthesia services and related facility charges in conjunction with any dental procedure performed in a hospital or ambulatory surgical center if such anesthesia services and related facility charges are medically necessary because the covered person:

(a) Is under the age of seven, or physically or developmentally disabled, with a dental condition that cannot be safely and effectively treated in a dental office; or

(b) Has a medical condition that the person's physician determines would place the person at undue risk if the dental procedure were performed in a dental office. The procedure must be approved by the person's physician.

(2) Each employee benefit plan offered to public employees that provides coverage for dental services must cover general anesthesia services in conjunction with any covered dental procedure performed in a dental office if the general anesthesia services are medically necessary because the covered person is under the age of seven or physically or developmentally disabled.

(3) This section does not prohibit an employee benefit plan from:

(a) Applying cost-sharing requirements, maximum annual benefit limitations, and prior authorization requirements to the services required under this section; or

(b) Covering only those services performed by a health care provider, or in a health care facility, that is part of its provider network; nor does it limit the authority in negotiating rates and contracts with specific providers.

(4) This section does not apply to medicare supplement policies, or supplemental contracts covering a specified disease or other limited benefits.

(5) For the purpose of this section, "general anesthesia services" means services to induce a state of unconsciousness accompanied by a loss of protective reflexes, including the ability to maintain an airway independently and respond purposefully to physical stimulation or verbal command.

(6) This section applies to employee benefit plans issued or renewed on or after January 1, 2002.

NEW SECTION. Sec. 2. A new section is added to chapter 48.43 RCW to read as follows:

(1) Each group health benefit plan that provides coverage for hospital, medical, or ambulatory surgery center services must cover general anesthesia services and related facility charges in conjunction with any dental procedure performed in a hospital or ambulatory surgical center if such anesthesia services and related facility charges are medically necessary because the covered person:

(a) Is under the age of seven, or physically or developmentally disabled, with a dental condition that cannot be safely and effectively treated in a dental office; or

(b) Has a medical condition that the person's physician determines would place the person at undue risk if the dental procedure were performed in a dental office. The procedure must be approved by the person's physician.

(2) Each group health benefit plan or group dental plan that provides coverage for dental services must cover medically necessary general anesthesia services in conjunction with any covered dental procedure performed in a dental office if the general anesthesia services are medically necessary because the covered person is under the age of seven or physically or developmentally disabled.

(3) This section does not prohibit a group health benefit plan or group dental plan from:

(a) Applying cost-sharing requirements, maximum annual benefit limitations, and prior authorization requirements to the services required under this section; or

(b) Covering only those services performed by a health care provider, or in a health care facility, that is part of its provider network; nor does it limit the health carrier in negotiating rates and contracts with specific providers.

(4) This section does not apply to medicare supplement policies, or supplemental contracts covering a specified disease or other limited benefits.

(5) For the purpose of this section, "general anesthesia services" means services to induce a state of unconsciousness accompanied by a loss of protective reflexes, including the ability to maintain an airway independently and respond purposefully to physical stimulation or verbal command.

(6) This section applies to group health benefit plans and group dental plans issued or renewed on or after January 1, 2002.

Passed the House April 16, 2001.

Passed the Senate April 10, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 322

[Engrossed Substitute House Bill 1458]

LAND USE PROJECT PERMIT APPLICATIONS—TIMELINE

AN ACT Relating to establishing a timeline for final decisions on land use project permit applications; and amending RCW 36.70B.080.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 36.70B.080 and 1995 c 347 s 410 are each amended to read as follows:

(1) Development regulations adopted pursuant to RCW 36.70A.040 shall establish time periods for local government actions on specific project permit applications and provide timely and predictable procedures to determine whether a completed project permit application meets the requirements of those development regulations. The time periods for local government actions on specific complete project permit applications or project types should not exceed one hundred twenty days, unless the local government makes written findings that a specified amount of additional time is needed for processing of specific complete project permit applications or project types.

Such development regulations shall specify the contents of a completed project permit application necessary for the application of such time periods and procedures.

(2)(a) Counties subject to the requirements of RCW 36.70A.215 and the cities within those counties that have populations of at least twenty thousand shall identify the types of project permit applications for which decisions are issued according to the provisions of this chapter. For each type of project permit application identified, these counties and cities shall establish a deadline for issuing a notice of final decision as required by subsection (1) of this section and minimum requirements for applications to be deemed complete under RCW 36.70B.070 as required by subsection (1) of this section. Counties and cities subject to the requirements of this subsection also shall, through September 1, 2003, prepare at least two annual performance reports that include, at a minimum, the following information for each type of project permit application:

(i) Total number of complete applications received during the year;

(ii) Number of complete applications received during the year for which a notice of final decision was issued before the deadline established under this subsection;

(iii) Number of applications received during the year for which a notice of final decision was issued after the deadline established under this subsection;

(iv) Number of applications received during the year for which an extension of time was mutually agreed upon by the applicant and the county or city; and

(v) Variance of actual performance, excluding applications for which mutually agreed time extensions have occurred, to the deadline established under this subsection during the year.

(b) Until July 1, 2003, counties and cities subject to the requirements of this subsection shall provide notice of and access to the annual performance reports required by this subsection through the county's or city's web site. If a county or city subject to the requirements of this subsection does not maintain a web site, notice of the report shall be given by reasonable methods, including but not limited to those methods specified in RCW 36.70B.110(4).

(3) Nothing in this section prohibits a county or city from extending a deadline for issuing a decision for a specific project permit application for any reasonable period of time mutually agreed upon by the applicant and the local government.

Passed the House April 17, 2001.

Passed the Senate April 11, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 323

[Substitute House Bill 1650]

COMMUNITY MENTAL HEALTH SERVICES

AN ACT Relating to community mental health services; amending RCW 71.24.015, 71.24.025, 71.24.030, 71.24.035, 71.24.037, 71.24.045, 71.24.049, 71.24.155, 71.24.160, 71.24.250, 71.24.400, and 71.24.405; reenacting and amending RCW 71.24.300; adding new sections to chapter 71.24 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. I. RCW 71.24.015 and 1999 c 214 s 7 are each amended to read as follows:

It is the intent of the legislature to establish a community mental health program which shall help people experiencing mental illness to retain a respected and productive position in the community. This will be accomplished through programs which provide for:

(1) Access to mental health services for adults of the state who are acutely mentally ill, chronically mentally ill, or seriously disturbed and children of the state who are acutely mentally ill, severely emotionally disturbed, or seriously disturbed, which services recognize the special needs of underserved populations, including minorities, children, the elderly, disabled, and low-income persons. Access to mental health services shall not be limited by a person's history of confinement in a state, federal, or local correctional facility. It is also the purpose of this chapter to promote the early identification of mentally ill children and to ensure that they

receive the mental health care and treatment which is appropriate to their developmental level. This care should improve home, school, and community functioning, maintain children in a safe and nurturing home environment, and should enable treatment decisions to be made in response to clinical needs in accordance with sound professional judgment while also recognizing parents' rights to participate in treatment decisions for their children;

(2) Accountability of efficient and effective services through state of the art outcome and performance measures and statewide standards for monitoring client and system outcomes, performance, and reporting of information. These processes shall be designed so as to maximize the use of available resources for direct care of people with a mental illness;

(3) Minimum service delivery standards;

(4) Priorities for the use of available resources for the care of the mentally ill consistent with the priorities defined in the statute;

(5) Coordination of services within the department, including those divisions within the department that provide services to children, between the department and the office of the superintendent of public instruction, and among state mental hospitals, county authorities, community mental health services, and other support services, which shall to the maximum extent feasible also include the families of the mentally ill, and other service providers; and

(6) Coordination of services aimed at reducing duplication in service delivery and promoting complementary services among all entities that provide mental health services to adults and children.

It is the policy of the state to encourage the provision of a full range of treatment and rehabilitation services in the state for mental disorders. The legislature intends to encourage the development of county-based and county-managed mental health services with adequate local flexibility to assure eligible people in need of care access to the least-restrictive treatment alternative appropriate to their needs, and the availability of treatment components to assure continuity of care. To this end, counties are encouraged to enter into joint operating agreements with other counties to form regional systems of care which integrate planning, administration, and service delivery duties assigned to counties under chapters 71.05 and 71.24 RCW to consolidate administration, reduce administrative layering, and reduce administrative costs.

It is further the intent of the legislature to integrate the provision of services to provide continuity of care through all phases of treatment. To this end the legislature intends to promote active engagement with mentally ill persons and collaboration between families and service providers.

NEW SECTION. **Sec. 2.** A new section is added to chapter 71.24 RCW to read as follows:

The department shall operate the community mental health service delivery system authorized under this chapter within the following constraints:

(1) The full amount of federal funds for mental health services, plus qualifying state expenditures as appropriated in the biennial operating budget, shall be appropriated to the department each year in the biennial appropriations act to carry out the provisions of the community mental health service delivery system authorized in this chapter.

(2) The department may expend funds defined in subsection (1) of this section in any manner that will effectively accomplish the outcome measures defined in section 5 of this act.

(3) The department shall implement strategies that accomplish the outcome measures identified in section 5 of this act that are within the funding constraints in this section.

(4) The department shall monitor expenditures against the appropriation levels provided for in subsection (1) of this section.

NEW SECTION. Sec. 3. A new section is added to chapter 71.24 RCW to read as follows:

(1) The department shall ensure the coordination of allied services for mental health clients. The department shall implement strategies for resolving organizational, regulatory, and funding issues at all levels of the system, including the state, the regional support networks, and local service providers.

(2) The department shall propose, in operating budget requests, transfers of funding among programs to support collaborative service delivery to persons who require services from multiple department programs. The department shall report annually to the appropriate committees of the senate and house of representatives on actions and projects it has taken to promote collaborative service delivery.

NEW SECTION. Sec. 4. A new section is added to chapter 71.24 RCW to read as follows:

It is the intent of the legislature that the community mental health service delivery system focus on maintaining mentally ill individuals in the community. The program shall be evaluated and managed through a limited number of performance measures designed to hold each regional support network accountable for program success.

***NEW SECTION.** Sec. 5. A new section is added to chapter 71.24 RCW to read as follows:

(1) The department, in collaboration with a work group appointed by the secretary and made up of consumers, advocates, service providers, and representatives of regional support networks, shall develop performance measures for use in evaluating and managing the community mental health service delivery system authorized under this chapter. The performance measures shall be consistent with the provisions of RCW 71.24.405(3) which may include but are not limited to:

(a) Access to services;

(b) Quality and appropriateness of care;

- (c) *Outcome measures; including, but not limited to:*
- (i) *Consumer change over time;*
 - (ii) *Consumer perception of hope for the future;*
 - (iii) *Percent of consumers who have safe and stable housing;*
 - (iv) *Percent of adults employed for one or more days in the last thirty days;*
 - (v) *Percent of consumers without a jail or detention stay;*
 - (vi) *Percent of available school days attended in the past thirty days;*
 - (vii) *Percent of consumers without a psychiatric hospitalization; and*
- (d) *Structure and plan management.*

(2) *The department shall require that service providers and regional support networks collect uniform performance measure information and report it to the department regularly. The department shall develop benchmarks that compare performance measure information from all regional support networks and providers to provide a clear indication of the most effective regional support networks and providers. Benchmark information shall be published quarterly and provided to the legislature, the governor, regional support networks, and all providers of mental health services.*

*Sec. 5 was vetoed. See message at end of chapter.

***NEW SECTION.** *Sec. 6. A new section is added to chapter 71.24 RCW to read as follows:*

Every regional support network and mental health services provider shall be evaluated using the criteria in section 5 of this act.

*Sec. 6 was vetoed. See message at end of chapter.

***NEW SECTION.** *Sec. 7. A new section is added to chapter 71.24 RCW to read as follows:*

The department shall provide a report to the appropriate committees of the legislature on the development, implementation, and achievement of the performance measures by regional support networks and service providers on an annual basis, no later than June 30th of each year, beginning in 2002. The report shall include how the department is using the outcome measure information obtained under section 5 of this act to manage the community mental health service delivery system.

*Sec. 7 was vetoed. See message at end of chapter.

Sec. 8. *RCW 71.24.025 and 1999 c 10 s 2 are each amended to read as follows:*

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

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

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

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

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

(2) "Available resources" means funds appropriated for the purpose of providing community mental health programs under RCW 71.24.045, federal funds, except those provided according to Title XIX of the Social Security Act, and state funds appropriated under this chapter or chapter 71.05 RCW by the legislature during any biennium for the purpose of providing residential services, resource management services, community support services, and other mental health services. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals, except as negotiated according to RCW 71.24.300(1)(~~(d)~~) (e).

(3) "Child" means a person under the age of eighteen years.

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

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

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

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

(5) "Community mental health program" means all mental health services, activities, or programs using available resources.

(6) "Community mental health service delivery system" means public or private agencies that provide services specifically to persons with mental disorders as defined under RCW 71.05.020 and receive funding from public sources.

(7) "Community support services" means services authorized, planned, and coordinated through resource management services including, at ~~((least))~~ a minimum, assessment, diagnosis, emergency crisis intervention available twenty-four hours, seven days a week, prescreening determinations for mentally ill persons being considered for placement in nursing homes as required by federal law, screening for patients being considered for admission to residential services, diagnosis and treatment for acutely mentally ill and severely emotionally disturbed children discovered under screening through the federal Title XIX early and periodic screening, diagnosis, and treatment program, investigation, legal, and other nonresidential services under chapter 71.05 RCW, case management services, psychiatric treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant patient information between service providers, and other services determined by regional support networks(~~(, and maintenance of a patient tracking system for chronically mentally ill adults and severely emotionally disturbed children)~~).

(8) "County authority" means the board of county commissioners, county council, or county executive having authority to establish a community mental health program, or two or more of the county authorities specified in this subsection which have entered into an agreement to provide a community mental health program.

(9) "Department" means the department of social and health services.

(10) "Licensed service provider" means an entity licensed according to this chapter or chapter 71.05 RCW or an entity deemed to meet state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department, that meets state minimum standards or individuals licensed under chapter 18.57, 18.71, 18.83, or 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners.

(11) "Mental health services" means all services provided by regional support networks and other services provided by the state for the mentally ill.

(12) "Mentally ill persons" and "the mentally ill" mean persons and conditions defined in subsections (1), (4), (17), and (18) of this section.

(13) "Regional support network" means a county authority or group of county authorities recognized by the secretary that enter into joint operating agreements to contract with the secretary pursuant to this chapter.

(14) "Residential services" means a complete range of residences and supports authorized by resource management services and which may involve a facility, a distinct part thereof, or services which support community living, for acutely mentally ill persons, chronically mentally ill adults, severely emotionally disturbed children, or seriously disturbed adults determined by the regional support network to be at risk of becoming acutely or chronically mentally ill. The services shall include at least evaluation and treatment services as defined in chapter 71.05 RCW, acute crisis respite care, long-term adaptive and rehabilitative care, and supervised and supported living services, and shall also include any residential services developed to service mentally ill persons in nursing homes. Residential services for children in out-of-home placements related to their mental disorder shall not include the costs of food and shelter, except for children's long-term residential facilities existing prior to January 1, 1991.

(15) "Resource management services" mean the planning, coordination, and authorization of residential services and community support services administered pursuant to an individual service plan for: (a) Acutely mentally ill adults and children; (b) chronically mentally ill adults; (c) severely emotionally disturbed children; or (d) seriously disturbed adults determined solely by a regional support network to be at risk of becoming acutely or chronically mentally ill. Such planning, coordination, and authorization shall include mental health screening for children eligible under the federal Title XIX early and periodic screening, diagnosis, and treatment program. Resource management services include seven day a week, twenty-four hour a day availability of information regarding mentally

ill adults' and children's enrollment in services and their individual service plan to county-designated mental health professionals, evaluation and treatment facilities, and others as determined by the regional support network.

(16) "Secretary" means the secretary of social and health services.

(17) "Seriously disturbed person" means a person who:

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

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

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

(d) Exhibits suicidal preoccupation or attempts; or

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

(18) "Severely emotionally disturbed child" means a child who has been determined by the regional support network to be experiencing a mental disorder as defined in chapter 71.34 RCW, including those mental disorders that result in a behavioral or conduct disorder, that is clearly interfering with the child's functioning in family or school or with peers and who meets at least one of the following criteria:

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

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

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

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

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

(ii) Changes in custodial adult;

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

(iv) Subject to repeated physical abuse or neglect;

(v) Drug or alcohol abuse; or

(vi) Homelessness.

(19) "State minimum standards" means minimum requirements established by rules adopted by the secretary and necessary to implement this chapter for: (a)

Delivery of mental health services; (b) licensed service providers for the provision of mental health services; (c) residential services; and (d) community support services and resource management services.

(20) "Tribal authority," for the purposes of this section and RCW 71.24.300 only, means: The federally recognized Indian tribes and the major Indian organizations recognized by the secretary insofar as these organizations do not have a financial relationship with any regional support network that would present a conflict of interest.

Sec. 9. RCW 71.24.030 and 1999 c 10 s 3 are each amended to read as follows:

The secretary is authorized to make grants to and/or purchase services from counties or combinations of counties in the establishment and operation of community mental health programs.

Sec. 10. RCW 71.24.035 and 1999 c 10 s 4 are each amended to read as follows:

(1) The department is designated as the state mental health authority.

(2) The secretary (~~may~~) shall provide for public, client, and licensed service provider participation in developing the state mental health program, developing contracts with regional support networks, and any waiver request to the federal government under medicaid.

(3) The secretary shall provide for participation in developing the state mental health program for children and other underserved populations, by including representatives on any committee established to provide oversight to the state mental health program.

(4) The secretary shall be designated as the county authority if a county fails to meet state minimum standards or refuses to exercise responsibilities under RCW 71.24.045.

(5) The secretary shall:

(a) Develop a biennial state mental health program that incorporates county biennial needs assessments and county mental health service plans and state services for mentally ill adults and children. The secretary may also develop a six-year state mental health plan;

(b) Assure that any regional or county community mental health program provides access to treatment for the county's residents in the following order of priority: (i) The acutely mentally ill; (ii) chronically mentally ill adults and severely emotionally disturbed children; and (iii) the seriously disturbed. Such programs shall provide:

(A) Outpatient services;

(B) Emergency care services for twenty-four hours per day;

(C) Day treatment for mentally ill persons which includes training in basic living and social skills, supported work, vocational rehabilitation, and day activities. Such services may include therapeutic treatment. In the case of a child,

day treatment includes age-appropriate basic living and social skills, educational and prevocational services, day activities, and therapeutic treatment;

(D) Screening for patients being considered for admission to state mental health facilities to determine the appropriateness of admission;

(E) Employment services, which may include supported employment, transitional work, placement in competitive employment, and other work-related services, that result in mentally ill persons becoming engaged in meaningful and gainful full or part-time work. Other sources of funding such as the division of vocational rehabilitation may be utilized by the secretary to maximize federal funding and provide for integration of services;

(F) Consultation and education services; and

(G) Community support services;

(c) Develop and adopt rules establishing state minimum standards for the delivery of mental health services pursuant to RCW 71.24.037 including, but not limited to:

(i) Licensed service providers. The secretary shall provide for deeming of compliance with state minimum standards for those entities accredited by recognized behavioral health accrediting bodies recognized and having a current agreement with the department;

(ii) Regional support networks; and

(iii) ~~((Residential and))~~ Inpatient services, evaluation and treatment services and facilities under chapter 71.05 RCW, resource management services, and community support services;

(d) Assure that the special needs of minorities, the elderly, disabled, children, and low-income persons are met within the priorities established in this section;

(e) Establish a standard contract or contracts, consistent with state minimum standards, which shall be used ~~((by the))~~ in contracting with regional support networks or counties. The standard contract shall include a maximum fund balance, which shall not exceed ten percent;

(f) Establish, to the extent possible, a standardized auditing procedure which minimizes paperwork requirements of county authorities and licensed service providers. The audit procedure shall focus on the outcomes of service and not the processes for accomplishing them;

(g) Develop and maintain an information system to be used by the state, counties, and regional support networks that includes a tracking method which allows the department and regional support networks to identify mental health clients' participation in any mental health service or public program on an immediate basis. The information system shall not include individual patient's case history files. Confidentiality of client information and records shall be maintained as provided in this chapter and in RCW 71.05.390, 71.05.400, 71.05.410, 71.05.420, 71.05.430, and 71.05.440. The design of the system and the data elements to be collected shall be reviewed by the work group appointed by the secretary under section 5(1) of this act and representing the department, regional

support networks, service providers, consumers, and advocates. The data elements shall be designed to provide information that is needed to measure performance and achieve the service outcomes identified in section 5 of this act;

- (h) License service providers who meet state minimum standards;
- (i) Certify regional support networks that meet state minimum standards;
- (j) Periodically (~~inspect~~) monitor the compliance of certified regional support networks and their network of licensed service providers for compliance with the contract between the department, the regional support network, and federal and state rules at reasonable times and in a reasonable manner;
- (k) Fix fees to be paid by evaluation and treatment centers to the secretary for the required inspections;
- (l) Monitor and audit counties, regional support networks, and licensed service providers as needed to assure compliance with contractual agreements authorized by this chapter; and
- (m) Adopt such rules as are necessary to implement the department's responsibilities under this chapter.

(6) The secretary shall use available resources only for regional support networks.

(7) Each certified regional support network and licensed service provider shall file with the secretary, on request, such data, statistics, schedules, and information as the secretary reasonably requires. A certified regional support network or licensed service provider which, without good cause, fails to furnish any data, statistics, schedules, or information as requested, or files fraudulent reports thereof, may have its certification or license revoked or suspended.

(8) The secretary may suspend, revoke, limit, or restrict a certification or license, or refuse to grant a certification or license for failure to conform to: (a) The law; (b) applicable rules and regulations; (c) applicable standards; or (d) state minimum standards.

(9) The superior court may restrain any regional support network or service provider from operating without certification or a license or any other violation of this section. The court may also review, pursuant to procedures contained in chapter 34.05 RCW, any denial, suspension, limitation, restriction, or revocation of certification or license, and grant other relief required to enforce the provisions of this chapter.

(10) Upon petition by the secretary, and after hearing held upon reasonable notice to the facility, the superior court may issue a warrant to an officer or employee of the secretary authorizing him or her to enter at reasonable times, and examine the records, books, and accounts of any regional support network or service provider refusing to consent to inspection or examination by the authority.

(11) Notwithstanding the existence or pursuit of any other remedy, the secretary may file an action for an injunction or other process against any person or governmental unit to restrain or prevent the establishment, conduct, or operation

of a regional support network or service provider without certification or a license under this chapter.

(12) The standards for certification of evaluation and treatment facilities shall include standards relating to maintenance of good physical and mental health and other services to be afforded persons pursuant to this chapter and chapters 71.05 and 71.34 RCW, and shall otherwise assure the effectuation of the purposes of these chapters.

(13)(a) The department, in consultation with affected parties, shall establish a distribution formula that reflects county needs assessments based on the number of persons who are acutely mentally ill, chronically mentally ill, severely emotionally disturbed children, and seriously disturbed. The formula shall take into consideration the impact on counties of demographic factors in counties which result in concentrations of priority populations as set forth in subsection (5)(b) of this section. These factors shall include the population concentrations resulting from commitments under chapters 71.05 and 71.34 RCW to state psychiatric hospitals, as well as concentration in urban areas, at border crossings at state boundaries, and other significant demographic and workload factors.

(b) The formula shall also include a projection of the funding allocations that will result for each county, which specifies allocations according to priority populations, including the allocation for services to children and other underserved populations.

(14) The secretary shall assume all duties assigned to the nonparticipating counties under chapters 71.05, 71.34, and 71.24 RCW. Such responsibilities shall include those which would have been assigned to the nonparticipating counties under regional support networks.

The regional support networks, or the secretary's assumption of all responsibilities under chapters 71.05, 71.34, and 71.24 RCW, shall be included in all state and federal plans affecting the state mental health program including at least those required by this chapter, the medicaid program, and P.L. 99-660. Nothing in these plans shall be inconsistent with the intent and requirements of this chapter.

(15) The secretary shall:

(a) Disburse funds for the regional support networks within sixty days of approval of the biennial contract. The department must either approve or reject the biennial contract within sixty days of receipt.

(b) Enter into biennial contracts with regional support networks. The contracts shall be consistent with available resources. No contract shall be approved that does not include progress toward meeting the goals of this chapter by taking responsibility for: (i) Short-term commitments; (ii) residential care; and (iii) emergency response systems.

(c) Allocate one hundred percent of available resources to the regional support networks in accordance with subsection (13) of this section.

(d) Notify regional support networks of their allocation of available resources at least sixty days prior to the start of a new biennial contract period.

(e) Deny funding allocations to regional support networks based solely upon formal findings of noncompliance with the terms of the regional support network's contract with the department. Written notice and at least thirty days for corrective action must precede any such action. In such cases, regional support networks shall have full rights to appeal under chapter 34.05 RCW.

~~((f) Identify in its departmental biennial operating and capital budget requests the funds requested by regional support networks to implement their responsibilities under this chapter.))~~

(16) The department, in cooperation with the state congressional delegation, shall actively seek waivers of federal requirements and such modifications of federal regulations as are necessary to allow federal medicaid reimbursement for services provided by free-standing evaluation and treatment facilities certified under chapter 71.05 RCW. The department shall periodically report its efforts to the ~~((health care and corrections))~~ appropriate committees of the senate and the ~~((human services committee of the))~~ house of representatives.

~~((17) The secretary shall establish a task force to examine the recruitment, training, and compensation of qualified mental health professionals in the community, which shall include the advantages and disadvantages of establishing a training academy, loan forgiveness program, or educational stipends offered in exchange for commitments of employment in mental health.))~~

Sec. 11. RCW 71.24.037 and 1999 c 10 s 5 are each amended to read as follows:

(1) The secretary shall by rule establish state minimum standards for licensed service providers and services.

(2) Minimum standards for licensed service providers shall, at a minimum, establish: Qualifications for staff providing services directly to mentally ill persons, the intended result of each service, and the rights and responsibilities of persons receiving mental health services pursuant to this chapter. The secretary shall provide for deeming of licensed service providers as meeting state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department.

~~(3) ((Minimum standards for residential services shall be based on clients' functional abilities and not solely on their diagnoses, limited to health and safety, staff qualifications, and program outcomes. Minimum standards for residential services shall be developed in collaboration with consumers, families, counties, regulators, and residential providers serving the mentally ill. The minimum standards shall encourage the development of broad-range residential programs, including integrated housing and cross-systems programs where appropriate, and shall not unnecessarily restrict programming flexibility.~~

~~—(4))~~ Minimum standards for community support services and resource management services shall include at least qualifications for resource management

services, client tracking systems, and the transfer of patient information between service providers.

Sec. 12. RCW 71.24.045 and 1992 c 230 s 5 are each amended to read as follows:

The county authority shall:

(1) Contract as needed with licensed service providers. The county authority may, in the absence of a licensed service provider entity, become a licensed service provider entity pursuant to minimum standards required for licensing by the department for the purpose of providing services not available from licensed service providers;

(2) Operate as a licensed service provider if it deems that doing so is more efficient and cost effective than contracting for services. When doing so, the county authority shall comply with rules promulgated by the secretary that shall provide measurements to determine when a county provided service is more efficient and cost effective;

(3) Monitor and perform biennial fiscal audits of licensed service providers who have contracted with the county to provide services required by this chapter. The monitoring and audits shall be performed by means of a formal process which insures that the licensed service providers and professionals designated in this subsection meet the terms of their contracts(~~(, including the minimum standards of service delivery as established by the department)~~);

(4) Assure that the special needs of minorities, the elderly, disabled, children, and low-income persons are met within the priorities established in this chapter;

(5) Maintain patient tracking information in a central location as required for resource management services and the department's information system

(6) Use not more than two percent of state-appropriated community mental health funds, which shall not include federal funds, to administer community mental health programs under RCW 71.24.155: PROVIDED, That county authorities serving a county or combination of counties whose population is one hundred twenty-five thousand or more may be entitled to sufficient state-appropriated community mental health funds to employ up to one full-time employee or the equivalent thereof in addition to the two percent limit established in this subsection when such employee is providing staff services to a county mental health advisory board;

(7) Coordinate services for individuals who have received services through the community mental health system and who become patients at a state mental hospital.

Sec. 13. RCW 71.24.049 and 1999 c 10 s 6 are each amended to read as follows:

By January 1st of each odd-numbered year, the ~~((county authority))~~ regional support network shall identify: (1) The number of children in each priority group, as defined by this chapter, who are receiving mental health services funded in part or in whole under this chapter, (2) the amount of funds under this chapter used for

children's mental health services, (3) an estimate of the number of unserved children in each priority group, and (4) the estimated cost of serving these additional children and their families.

Sec. 14. RCW 71.24.155 and 1987 c 505 s 65 are each amended to read as follows:

Grants shall be made by the department to ~~((counties))~~ regional support networks for community mental health programs totaling not less than ninety-five percent of available resources. The department may use up to forty percent of the remaining five percent to provide community demonstration projects, including early intervention or primary prevention programs for children, and the remainder shall be for emergency needs and technical assistance under this chapter.

Sec. 15. RCW 71.24.160 and 1989 c 205 s 7 are each amended to read as follows:

The ~~((county authority))~~ regional support networks shall make satisfactory showing to the secretary that state funds shall in no case be used to replace local funds from any source being used to finance mental health services prior to January 1, 1990.

Sec. 16. RCW 71.24.250 and 1982 c 204 s 14 are each amended to read as follows:

The ~~((county authority))~~ regional support network may accept and expend gifts and grants received from private, county, state, and federal sources.

Sec. 17. RCW 71.24.300 and 1999 c 214 s 8 and 1999 c 10 s 9 are each reenacted and amended to read as follows:

A county authority or a group of county authorities whose combined population is no less than forty thousand may enter into a joint operating agreement to form a regional support network. Upon the request of a tribal authority or authorities within a regional support network the joint operating agreement or the county authority shall allow for the inclusion of the tribal authority to be represented as a party to the regional support network. The roles and responsibilities of the county and tribal authorities shall be determined by the terms of that agreement including a determination of membership on the governing board and advisory committees, the number of tribal representatives to be party to the agreement, and the provisions of law and shall assure the provision of culturally competent services to the tribes served. The state mental health authority may not determine the roles and responsibilities of county authorities as to each other under regional support networks by rule, except to assure that all duties required of regional support networks are assigned and that counties and the regional support network do not duplicate functions and that a single authority has final responsibility for all available resources and performance under the regional support network's contract with the secretary.

(1) Regional support networks shall submit an overall six-year operating and capital plan, timeline, and budget and submit progress reports and an updated

two-year plan biennially thereafter, to assume within available resources all of the following duties:

(a) Administer and provide for the availability of all resource management services, residential services, and community support services.

(b) Assume the powers and duties of county authorities within its area as described in RCW 71.24.045 (1) through (7).

(c) Administer and provide for the availability of all investigation, transportation, court-related, and other services provided by the state or counties pursuant to chapter 71.05 RCW.

~~((c))~~ (d) Provide within the boundaries of each regional support network evaluation and treatment services for at least eighty-five percent of persons detained or committed for periods up to seventeen days according to chapter 71.05 RCW. Regional support networks with populations of less than one hundred fifty thousand may contract to purchase evaluation and treatment services from other networks. Insofar as the original intent of serving persons in the community is maintained, the secretary is authorized to approve exceptions on a case-by-case basis to the requirement to provide evaluation and treatment services within the boundaries of each regional support network. Such exceptions are limited to contracts with neighboring or contiguous regions.

~~((c))~~ (e) Administer a portion of funds appropriated by the legislature to house mentally ill persons in state institutions from counties within the boundaries of any regional support network, with the exception of persons currently confined at, or under the supervision of, a state mental hospital pursuant to chapter 10.77 RCW, and provide for the care of all persons needing evaluation and treatment services for periods up to seventeen days according to chapter 71.05 RCW in appropriate residential services, which may include state institutions. The regional support networks shall reimburse the state for use of state institutions at a rate equal to that assumed by the legislature when appropriating funds for such care at state institutions during the biennium when reimbursement occurs. The secretary shall submit a report to the appropriate committees of the senate and house of representatives on the efforts to implement this section by October 1, 2002. The duty of a state hospital to accept persons for evaluation and treatment under chapter 71.05 RCW is limited by the responsibilities assigned to regional support networks under this section.

~~((c))~~ (f) Administer and provide for the availability of all other mental health services, which shall include patient counseling, day treatment, consultation, education services, employment services as defined in RCW 71.24.035, and mental health services to children as provided in this chapter designed to achieve the outcomes specified in section 5 of this act.

~~((f))~~ (g) Establish standards and procedures for reviewing individual service plans and determining when that person may be discharged from resource management services.

(2) Regional support networks shall assume all duties assigned to county authorities by this chapter and chapter 71.05 RCW.

(3) A regional support network may request that any state-owned land, building, facility, or other capital asset which was ever purchased, deeded, given, or placed in trust for the care of the mentally ill and which is within the boundaries of a regional support network be made available to support the operations of the regional support network. State agencies managing such capital assets shall give first priority to requests for their use pursuant to this chapter.

(4) Each regional support network shall appoint a mental health advisory board which shall review and provide comments on plans and policies developed under this chapter. The composition of the board shall be broadly representative of the demographic character of the region and the mentally ill persons served therein. Length of terms of board members shall be determined by the regional support network.

(5) Regional support networks shall assume all duties specified in their plans and joint operating agreements through biennial contractual agreements with the secretary. ~~((Such contracts may include agreements to provide periods of stable community living and work or other day activities for specific chronically mentally ill persons who have completed commitments at state hospitals on ninety-day or one hundred eighty-day civil commitments or who have been residents at state hospitals for no less than one hundred eighty days within the previous year. Periods of stable community living may involve acute care in local evaluation and treatment facilities but may not involve use of state hospitals.))~~

(6) Counties or groups of counties participating in a regional support network are not subject to RCW 71.24.045(6).

(7) ~~((As part of each biennial plan, each regional support network shall establish and submit to the state, procedures and agreements to assure access to sufficient additional local evaluation and treatment facilities to meet the requirements of this chapter while reducing short-term admissions to state hospitals. These shall be commitments to construct and operate, or contract for the operation of, freestanding evaluation and treatment facilities or agreements with local evaluation and treatment facilities which shall include (a) required admission and treatment for short-term inpatient care for any person enrolled in community support or residential services, (b) discharge planning procedures, (c) limitations on admissions or transfers to state hospitals, (d) adequate psychiatric supervision, (e) prospective payment methods, and (f) contractual assurances regarding referrals to local evaluation and treatment facilities from regional support networks.~~

~~—(8))~~ Regional support networks may receive technical assistance from the housing trust fund and may identify and submit projects for housing and housing support services to the housing trust fund established under chapter 43.185 RCW. Projects identified or submitted under this subsection must be fully integrated with the regional support network six-year operating and capital plan, timeline, and budget required by subsection (1) of this section.

Sec. 18. RCW 71.24.400 and 1999 c 10 s 10 are each amended to read as follows:

The legislature finds that the current complex set of federal, state, and local rules and regulations, audited and administered at multiple levels, which affect the community mental health service delivery system, focus primarily on the process of providing mental health services and do not sufficiently address consumer and system outcomes. The legislature finds that the department and the community mental health service delivery system must make ongoing efforts to achieve the purposes set forth in RCW 71.24.015 related to reduced administrative layering, duplication, elimination of process measures not specifically required by the federal government for the receipt of federal funds, and reduced administrative costs.

Sec. 19. RCW 71.24.405 and 1999 c 10 s 11 are each amended to read as follows:

The department shall establish a ~~((single))~~ comprehensive and collaborative ~~((project))~~ effort within regional support networks and with local mental health service providers aimed at creating innovative and streamlined community mental health service delivery systems, in order to carry out the purposes set forth in RCW 71.24.400 and to capture the diversity of the community mental health service delivery system.

The ~~((project))~~ department must accomplish the following:

(1) Identification, review, and cataloging of all rules, regulations, duplicative administrative and monitoring functions, and other requirements that currently lead to inefficiencies in the community mental health service delivery system and, if possible, eliminate the requirements;

(2) The systematic and incremental development of a single system of accountability for all federal, state, and local funds provided to the community mental health service delivery system. Systematic efforts should be made to include federal and local funds into the single system of accountability;

(3) The elimination of process regulations and related contract and reporting requirements. In place of the regulations and requirements, a set of outcomes for mental health adult and children clients according to chapter 71.24 RCW must be used to measure the performance of mental health service providers and regional support networks. Such outcomes shall focus on stabilizing out-of-home and hospital care, increasing stable community living, increasing age-appropriate activities, achieving family and consumer satisfaction with services, and system efficiencies;

(4) Evaluation of the feasibility of contractual agreements between the department of social and health services and regional support networks and mental health service providers that link financial incentives to the success or failure of mental health service providers and regional support networks to meet outcomes established for mental health service clients;

(5) The involvement of mental health consumers and their representatives ((in the pilot projects)). Mental health consumers and their representatives will be involved in the development of outcome standards for mental health clients ((and other related aspects of the pilot projects)) under section 5 of this act; and

(6) An independent evaluation component to measure the success of the ((projects)) department in fully implementing the provisions of RCW 71.24.400 and this section.

****NEW SECTION. Sec. 20. The legislature finds that an excessive amount of public funds are spent on administrative activities in the community mental health system. The department of social and health services shall develop a plan to reduce administrative expenses in the community mental health system, including the mental health division, to no more than ten percent of available funds. The plan shall identify and prioritize core administrative functions that must be continued to comply with federal or state statutes. The department shall submit their plan to the appropriate committees of the senate and house of representatives no later than December 15, 2001. The plan shall assume an implementation date of July 1, 2003.***

*Sec. 20 was vetoed. See message at end of chapter.

Passed the House April 19, 2001.

Passed the Senate April 18, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 5, 6, 7, and 20, Substitute House Bill No. 1650 entitled:

"AN ACT Relating to community mental health services;"

Substitute House Bill No. 1650 implements several recommendations of a recent performance audit of the community mental health system by the Joint Legislative Audit and Review Committee (JLARC). I support those recommendations relating to funding flexibility, performance measurement, and other improvements. I also support the bill's goal of minimizing administrative expenses at all levels of the mental health system.

Section 5 of the bill would have required the Department of Social and Health Services (DSHS), to collaborate with others, including Regional Support Networks and community treatment providers, to develop performance measures for use in evaluating and managing the mental health system. I strongly support this recommendation. However, developing these measures and designing the data system they will require would cost over \$1 million. The budget adopted by the House includes this funding, but the Senate budget does not. Without assurance of funding, I am unwilling to let this requirement become law.

Sections 6 and 7 of the bill would have required use of the performance measures in section 5 to evaluate programs and make reports to the legislature. Without section 5, sections 6 and 7 have no meaning.

If, during the special session, the legislature chooses to enact sections 5, 6, and 7, with funding assured, I will gladly sign those sections because I support their intent.

Section 20 of the bill would have required DSHS to develop a plan to reduce mental health system administrative expenses, including in the Regional Support Networks and community-based treatment providers, to ten percent of available funds, and submit the

plan to the legislature by December 15, 2001, with an assumed implementation date of July 1, 2003.

Minimizing administrative costs is an important goal for any program. But the Secretary of DSHS advises me that developing a realistic plan to achieve that goal for the mental health system as a whole will take longer than seven months, in part because it requires the active participation of mental health providers and Regional Support Networks.

The legislature's intent to see a plan implemented in July 2003 allows enough time to develop such a plan properly. Therefore, I have vetoed section 20 and direct DSHS to work with appropriate stakeholders to complete the plan, and make recommendations to me and to the legislature by October 1, 2002.

For these reasons, I have vetoed sections 5, 6, 7, and 20 of Substitute House Bill No. 1650.

With the exception of sections 5, 6, 7, and 20, Substitute House Bill No. 1650 is approved."

CHAPTER 324

[Substitute House Bill 1891]

AGRICULTURAL MARKETING

AN ACT Relating to international marketing of agriculture; adding new sections to chapter 43.23 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the growing and processing of food and agricultural products is the dominant industry in Washington state and a major employer in rural Washington. The legislature also finds that agriculture is a critical component of Washington's international trade industry, accounting for billions of dollars in exports every year.

The legislature further finds that the export market for Washington's agricultural products has dropped significantly in recent years and that such a drop has negatively impacted the economy in Washington's agricultural regions. Therefore, it is the intent of the legislature to enhance Washington's international trade of agricultural products by increasing funding for the Washington state department of agriculture's international marketing program in an effort to promote marketing of Washington's products and to assist the agricultural industry in efforts to reduce trade barriers that stand in the way of trade in new and emerging markets.

NEW SECTION. Sec. 2. A new section is added to chapter 43.23 RCW to read as follows:

There is created a market development and promotion matching fund program within the Washington state department of agriculture. The purpose of the program is to allow the department of agriculture and the agricultural industry to combine funds in order to enhance access to markets that are growth sales areas for the industry's product. The goal of the program is to expose buyers to Washington's diverse agricultural products. The agriculture industry may bring in buying missions, perform trade promotions in various markets, hire overseas

contractors, and perform other marketing functions that help it target the correct buyer and market for its product.

NEW SECTION. Sec. 3. A new section is added to chapter 43.23 RCW to read as follows:

(1) The legislature finds that trade barriers have become an increasingly important issue in the agricultural arena. Further, the world trade organization highlighted the need for "a fair and level playing field." The legislature finds that both large and small commodity groups need adequate resources to address trade barrier issues.

(2) There is created within the department of agriculture a trade barrier matching fund program to assist agriculture industries in fighting trade barriers. The purpose of the program is to allow the department of agriculture and the agricultural industry to combine funds in order to address trade barriers issues impacting the agricultural industry.

NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2001, in the omnibus appropriations act, this act is null and void.

Passed the House April 17, 2001.

Passed the Senate April 9, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 325

[House Bill 1895]

THEFT OF MOTOR VEHICLE FUEL

AN ACT Relating to theft of motor vehicle fuel; amending RCW 46.20.311, 46.20.342, and 46.63.020; adding a new section to chapter 46.61 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 46.61 RCW under the subchapter heading "miscellaneous rules" to read as follows:

(1) Any person who refuses to pay or evades payment for motor vehicle fuel that is pumped into a motor vehicle is guilty of theft of motor vehicle fuel. A violation of this subsection is a gross misdemeanor punishable under chapter 9A.20 RCW.

(2) The court shall order the department to suspend the person's license, permit, or nonresident privilege to drive for a period specified by the court of up to six months.

Sec. 2. RCW 46.20.311 and 2000 c 115 s 7 are each amended to read as follows:

(1)(a) The department shall not suspend a driver's license or privilege to drive a motor vehicle on the public highways for a fixed period of more than one year,

except as specifically permitted under RCW 46.20.267, 46.20.342, or other provision of law. Except for a suspension under RCW 46.20.267, 46.20.289, 46.20.291(5), ~~46.61.---~~ (section 1 of this act), or 74.20A.320, whenever the license or driving privilege of any person is suspended by reason of a conviction, a finding that a traffic infraction has been committed, pursuant to chapter 46.29 RCW, or pursuant to RCW 46.20.291 or 46.20.308, the suspension shall remain in effect until the person gives and thereafter maintains proof of financial responsibility for the future as provided in chapter 46.29 RCW. If the suspension is the result of a violation of RCW 46.61.502 or 46.61.504, the department shall determine the person's eligibility for licensing based upon the reports provided by the alcoholism agency or probation department designated under RCW 46.61.5056 and shall deny reinstatement until enrollment and participation in an approved program has been established and the person is otherwise qualified. Whenever the license or driving privilege of any person is suspended as a result of certification of noncompliance with a child support order under chapter 74.20A RCW or a residential or visitation order, the suspension shall remain in effect until the person provides a release issued by the department of social and health services stating that the person is in compliance with the order.

(b)(i) The department shall not issue to the person a new, duplicate, or renewal license until the person pays a reissue fee of twenty dollars.

(ii) If the suspension is the result of a violation of RCW 46.61.502 or 46.61.504, or is the result of administrative action under RCW 46.20.308, the reissue fee shall be one hundred fifty dollars.

(2)(a) Any person whose license or privilege to drive a motor vehicle on the public highways has been revoked, unless the revocation was for a cause which has been removed, is not entitled to have the license or privilege renewed or restored until: (i) After the expiration of one year from the date the license or privilege to drive was revoked; (ii) after the expiration of the applicable revocation period provided by RCW 46.20.3101 or 46.61.5055; (iii) after the expiration of two years for persons convicted of vehicular homicide; or (iv) after the expiration of the applicable revocation period provided by RCW 46.20.265.

(b)(i) After the expiration of the appropriate period, the person may make application for a new license as provided by law together with a reissue fee in the amount of twenty dollars.

(ii) If the revocation is the result of a violation of RCW 46.20.308, 46.61.502, or 46.61.504, the reissue fee shall be one hundred fifty dollars. If the revocation is the result of a violation of RCW 46.61.502 or 46.61.504, the department shall determine the person's eligibility for licensing based upon the reports provided by the alcoholism agency or probation department designated under RCW 46.61.5056 and shall deny reissuance of a license, permit, or privilege to drive until enrollment and participation in an approved program has been established and the person is otherwise qualified.

(c) Except for a revocation under RCW 46.20.265, the department shall not then issue a new license unless it is satisfied after investigation of the driving ability of the person that it will be safe to grant the privilege of driving a motor vehicle on the public highways, and until the person gives and thereafter maintains proof of financial responsibility for the future as provided in chapter 46.29 RCW. For a revocation under RCW 46.20.265, the department shall not issue a new license unless it is satisfied after investigation of the driving ability of the person that it will be safe to grant that person the privilege of driving a motor vehicle on the public highways.

(3)(a) Whenever the driver's license of any person is suspended pursuant to Article IV of the nonresident violators compact or RCW 46.23.020 or 46.20.289 or 46.20.291(5), the department shall not issue to the person any new or renewal license until the person pays a reissue fee of twenty dollars.

(b) If the suspension is the result of a violation of the laws of this or any other state, province, or other jurisdiction involving (i) the operation or physical control of a motor vehicle upon the public highways while under the influence of intoxicating liquor or drugs, or (ii) the refusal to submit to a chemical test of the driver's blood alcohol content, the reissue fee shall be one hundred fifty dollars.

Sec. 3. RCW 46.20.342 and 2000 c 115 s 8 are each amended to read as follows:

(1) It is unlawful for any person to drive a motor vehicle in this state while that person is in a suspended or revoked status or when his or her privilege to drive is suspended or revoked in this or any other state. Any person who has a valid Washington driver's license is not guilty of a violation of this section.

(a) A person found to be an habitual offender under chapter 46.65 RCW, who violates this section while an order of revocation issued under chapter 46.65 RCW prohibiting such operation is in effect, is guilty of driving while license suspended or revoked in the first degree, a gross misdemeanor. Upon the first such conviction, the person shall be punished by imprisonment for not less than ten days. Upon the second conviction, the person shall be punished by imprisonment for not less than ninety days. Upon the third or subsequent conviction, the person shall be punished by imprisonment for not less than one hundred eighty days. If the person is also convicted of the offense defined in RCW 46.61.502 or 46.61.504, when both convictions arise from the same event, the minimum sentence of confinement shall be not less than ninety days. The minimum sentence of confinement required shall not be suspended or deferred. A conviction under this subsection does not prevent a person from petitioning for reinstatement as provided by RCW 46.65.080.

(b) A person who violates this section while an order of suspension or revocation prohibiting such operation is in effect and while the person is not eligible to reinstate his or her driver's license or driving privilege, other than for a suspension for the reasons described in (c) of this subsection, is guilty of driving while license suspended or revoked in the second degree, a gross misdemeanor.

This subsection applies when a person's driver's license or driving privilege has been suspended or revoked by reason of:

(i) A conviction of a felony in the commission of which a motor vehicle was used;

(ii) A previous conviction under this section;

(iii) A notice received by the department from a court or diversion unit as provided by RCW 46.20.265, relating to a minor who has committed, or who has entered a diversion unit concerning an offense relating to alcohol, legend drugs, controlled substances, or imitation controlled substances;

(iv) A conviction of RCW 46.20.410, relating to the violation of restrictions of an occupational driver's license;

(v) A conviction of RCW 46.20.345, relating to the operation of a motor vehicle with a suspended or revoked license;

(vi) A conviction of RCW 46.52.020, relating to duty in case of injury to or death of a person or damage to an attended vehicle;

(vii) A conviction of RCW 46.61.024, relating to attempting to elude pursuing police vehicles;

(viii) A conviction of RCW 46.61.500, relating to reckless driving;

(ix) A conviction of RCW 46.61.502 or 46.61.504, relating to a person under the influence of intoxicating liquor or drugs;

(x) A conviction of RCW 46.61.520, relating to vehicular homicide;

(xi) A conviction of RCW 46.61.522, relating to vehicular assault;

(xii) A conviction of RCW 46.61.527(4), relating to reckless endangerment of roadway workers;

(xiii) A conviction of RCW 46.61.530, relating to racing of vehicles on highways;

(xiv) A conviction of RCW 46.61.685, relating to leaving children in an unattended vehicle with motor running;

(xv) A conviction of RCW 46.61.--- (section 1 of this act), relating to theft of motor vehicle fuel;

(xvi) A conviction of RCW 46.64.048, relating to attempting, aiding, abetting, coercing, and committing crimes;

~~((xvi))~~ (xvii) An administrative action taken by the department under chapter 46.20 RCW; or

~~((xvii))~~ (xviii) A conviction of a local law, ordinance, regulation, or resolution of a political subdivision of this state, the federal government, or any other state, of an offense substantially similar to a violation included in this subsection.

(c) A person who violates this section when his or her driver's license or driving privilege is, at the time of the violation, suspended or revoked solely because (i) the person must furnish proof of satisfactory progress in a required alcoholism or drug treatment program, (ii) the person must furnish proof of financial responsibility for the future as provided by chapter 46.29 RCW, (iii) the

person has failed to comply with the provisions of chapter 46.29 RCW relating to uninsured accidents, (iv) the person has failed to respond to a notice of traffic infraction, failed to appear at a requested hearing, violated a written promise to appear in court, or has failed to comply with the terms of a notice of traffic infraction or citation, as provided in RCW 46.20.289, (v) the person has committed an offense in another state that, if committed in this state, would not be grounds for the suspension or revocation of the person's driver's license, (vi) the person has been suspended or revoked by reason of one or more of the items listed in (b) of this subsection, but was eligible to reinstate his or her driver's license or driving privilege at the time of the violation, or (vii) the person has received traffic citations or notices of traffic infraction that have resulted in a suspension under RCW 46.20.267 relating to intermediate drivers' licenses, or any combination of (i) through (vii), is guilty of driving while license suspended or revoked in the third degree, a misdemeanor.

(2) Upon receiving a record of conviction of any person or upon receiving an order by any juvenile court or any duly authorized court officer of the conviction of any juvenile under this section, the department shall:

(a) For a conviction of driving while suspended or revoked in the first degree, as provided by subsection (1)(a) of this section, extend the period of administrative revocation imposed under chapter 46.65 RCW for an additional period of one year from and after the date the person would otherwise have been entitled to apply for a new license or have his or her driving privilege restored; or

(b) For a conviction of driving while suspended or revoked in the second degree, as provided by subsection (1)(b) of this section, not issue a new license or restore the driving privilege for an additional period of one year from and after the date the person would otherwise have been entitled to apply for a new license or have his or her driving privilege restored; or

(c) Not extend the period of suspension or revocation if the conviction was under subsection (1)(c) of this section. If the conviction was under subsection (1)(a) or (b) of this section and the court recommends against the extension and the convicted person has obtained a valid driver's license, the period of suspension or revocation shall not be extended.

Sec. 4. RCW 46.63.020 and 1999 c 86 s 6 are each amended to read as follows:

Failure to perform any act required or the performance of any act prohibited by this title or an equivalent administrative regulation or local law, ordinance, regulation, or resolution relating to traffic including parking, standing, stopping, and pedestrian offenses, is designated as a traffic infraction and may not be classified as a criminal offense, except for an offense contained in the following provisions of this title or a violation of an equivalent administrative regulation or local law, ordinance, regulation, or resolution:

(1) RCW 46.09.120(2) relating to the operation of a nonhighway vehicle while under the influence of intoxicating liquor or a controlled substance;

- (2) RCW 46.09.130 relating to operation of nonhighway vehicles;
- (3) RCW 46.10.090(2) relating to the operation of a snowmobile while under the influence of intoxicating liquor or narcotics or habit-forming drugs or in a manner endangering the person of another;
- (4) RCW 46.10.130 relating to the operation of snowmobiles;
- (5) Chapter 46.12 RCW relating to certificates of ownership and registration and markings indicating that a vehicle has been destroyed or declared a total loss;
- (6) RCW 46.16.010 relating to initial registration of motor vehicles;
- (7) RCW 46.16.011 relating to permitting unauthorized persons to drive;
- (8) RCW 46.16.160 relating to vehicle trip permits;
- (9) RCW 46.16.381(2) relating to knowingly providing false information in conjunction with an application for a special placard or license plate for disabled persons' parking;
- (10) RCW 46.20.005 relating to driving without a valid driver's license;
- (11) RCW 46.20.091 relating to false statements regarding a driver's license or instruction permit;
- (12) RCW (~~46.20.336~~) 46.20.092 relating to the unlawful possession and use of a driver's license;
- (13) RCW 46.20.342 relating to driving with a suspended or revoked license or status;
- (14) RCW 46.20.345 relating to the operation of a motor vehicle with a suspended or revoked license;
- (15) RCW 46.20.410 relating to the violation of restrictions of an occupational driver's license;
- ~~((15) RCW 46.20.420 relating to the operation of a motor vehicle with a suspended or revoked license;))~~
- (16) RCW 46.20.740 relating to operation of a motor vehicle without an ignition interlock device in violation of a license notation that the device is required;
- (17) RCW 46.20.750 relating to assisting another person to start a vehicle equipped with an ignition interlock device;
- (18) RCW 46.25.170 relating to commercial driver's licenses;
- (19) Chapter 46.29 RCW relating to financial responsibility;
- (20) RCW 46.30.040 relating to providing false evidence of financial responsibility;
- (21) RCW 46.37.435 relating to wrongful installation of sunscreening material;
- (22) RCW 46.44.180 relating to operation of mobile home pilot vehicles;
- (23) RCW 46.48.175 relating to the transportation of dangerous articles;
- (24) RCW 46.52.010 relating to duty on striking an unattended car or other property;
- (25) RCW 46.52.020 relating to duty in case of injury to or death of a person or damage to an attended vehicle;

(26) RCW 46.52.090 relating to reports by repairmen, storagemen, and appraisers;

(27) RCW 46.52.130 relating to confidentiality of the driving record to be furnished to an insurance company, an employer, and an alcohol/drug assessment or treatment agency;

(28) RCW 46.55.020 relating to engaging in the activities of a registered tow truck operator without a registration certificate;

(29) RCW 46.55.035 relating to prohibited practices by tow truck operators;

(30) RCW 46.61.015 relating to obedience to police officers, (~~flagmen~~) flaggers, or fire fighters;

(31) RCW 46.61.020 relating to refusal to give information to or cooperate with an officer;

(32) RCW 46.61.022 relating to failure to stop and give identification to an officer;

(33) RCW 46.61.024 relating to attempting to elude pursuing police vehicles;

(34) RCW 46.61.500 relating to reckless driving;

(35) RCW 46.61.502 and 46.61.504 relating to persons under the influence of intoxicating liquor or drugs;

(36) RCW 46.61.503 relating to a person under age twenty-one driving a motor vehicle after consuming alcohol;

(37) RCW 46.61.520 relating to vehicular homicide by motor vehicle;

(38) RCW 46.61.522 relating to vehicular assault;

(39) RCW 46.61.5249 relating to first degree negligent driving;

(40) RCW 46.61.527(4) relating to reckless endangerment of roadway workers;

(41) RCW 46.61.530 relating to racing of vehicles on highways;

(42) RCW 46.61.685 relating to leaving children in an unattended vehicle with the motor running;

(43) RCW 46.61.--- (section 1 of this act) relating to theft of motor vehicle fuel;

(44) RCW 46.64.010 relating to unlawful cancellation of or attempt to cancel a traffic citation;

~~((44))~~ (45) RCW 46.64.048 relating to attempting, aiding, abetting, coercing, and committing crimes;

~~((45))~~ (46) Chapter 46.65 RCW relating to habitual traffic offenders;

~~((46))~~ (47) RCW 46.68.010 relating to false statements made to obtain a refund;

~~((47))~~ (48) Chapter 46.70 RCW relating to unfair motor vehicle business practices, except where that chapter provides for the assessment of monetary penalties of a civil nature;

~~((48))~~ (49) Chapter 46.72 RCW relating to the transportation of passengers in for hire vehicles;

~~((49))~~ (50) RCW 46.72A.060 relating to limousine carrier insurance;

~~((50))~~ (51) RCW 46.72A.070 relating to operation of a limousine without a vehicle certificate;

~~((51))~~ (52) RCW 46.72A.080 relating to false advertising by a limousine carrier;

~~((52))~~ (53) Chapter 46.80 RCW relating to motor vehicle wreckers;

~~((52))~~ (54) Chapter 46.82 RCW relating to driver's training schools;

~~((54))~~ (55) RCW 46.87.260 relating to alteration or forgery of a cab card, letter of authority, or other temporary authority issued under chapter 46.87 RCW;

~~((55))~~ (56) RCW 46.87.290 relating to operation of an unregistered or unlicensed vehicle under chapter 46.87 RCW.

Passed the House April 16, 2001.

Passed the Senate April 5, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 326

[Engrossed Substitute House Bill 1997]

INDUSTRIAL LAND BANKS

AN ACT Relating to establishing industrial land banks outside urban growth areas; and amending RCW 36.70A.367.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 36.70A.367 and 1998 c 289 s 2 are each amended to read as follows:

(1) In addition to the major industrial development allowed under RCW 36.70A.365, a county required or choosing to plan under RCW 36.70A.040 that meets the criteria in subsection (9) or (10) of this section may establish, in consultation with cities consistent with provisions of RCW 36.70A.210, a process for designating a bank of no more than two master planned locations for major industrial activity outside urban growth areas.

(2) A master planned location for major industrial developments outside an urban growth area may be included in the urban industrial land bank for the county if criteria including, but not limited to, the following are met:

(a) New infrastructure is provided for and/or applicable impact fees are paid;

(b) Transit-oriented site planning and traffic demand management programs are implemented;

(c) Buffers are provided between the major industrial development and adjacent nonurban areas;

(d) Environmental protection including air and water quality has been addressed and provided for;

(e) Development regulations are established to ensure that urban growth will not occur in adjacent nonurban areas;

(f) Provision is made to mitigate adverse impacts on designated agricultural lands, forest lands, and mineral resource lands;

(g) The plan for the major industrial development is consistent with the county's development regulations established for protection of critical areas; and

(h) An inventory of developable land has been conducted as provided in RCW 36.70A.365.

(3) In selecting master planned locations for inclusion in the urban industrial land bank, priority shall be given to locations that are adjacent to, or in close proximity to, an urban growth area.

(4) Final approval of inclusion of a master planned location in the urban industrial land bank shall be considered an adopted amendment to the comprehensive plan adopted pursuant to RCW 36.70A.070, except that RCW 36.70A.130(2) does not apply so that inclusion or exclusion of master planned locations may be considered at any time.

(5) Once a master planned location has been included in the urban industrial land bank, manufacturing and industrial businesses that qualify as major industrial development under RCW 36.70A.365 may be located there.

(6) Nothing in this section may be construed to alter the requirements for a county to comply with chapter 43.21C RCW.

(7)(a) The authority of a county meeting the criteria of subsection (9) of this section to engage in the process of including or excluding master planned locations from the urban industrial land bank shall terminate on December 31, 1999. However, any location included in the urban industrial land bank on December 31, 1999, shall ((remain)) be available for major industrial development as long as the criteria of subsection (2) of this section ((continue to be)) are met.

(b) The authority of a county meeting the criteria of subsection (10) of this section to engage in the process of including or excluding master planned locations from the urban industrial land bank terminates on December 31, 2002. However, any location included in the urban industrial land bank on December 31, 2002, shall be available for major industrial development as long as the criteria of subsection (2) of this section are met.

(8) For the purposes of this section, "major industrial development" means a master planned location suitable for manufacturing or industrial businesses that: (a) Requires a parcel of land so large that no suitable parcels are available within an urban growth area; or (b) is a natural resource-based industry requiring a location near agricultural land, forest land, or mineral resource land upon which it is dependent; or (c) requires a location with characteristics such as proximity to transportation facilities or related industries such that there is no suitable location in an urban growth area. The major industrial development may not be for the purpose of retail commercial development or multitenant office parks.

(9) This section ~~((applies))~~ and the termination date specified in subsection (7)(a) of this section apply to a county that at the time the process is established under subsection (1) of this section:

(a) Has a population greater than two hundred fifty thousand and is part of a metropolitan area that includes a city in another state with a population greater than two hundred fifty thousand;

(b) Has a population greater than one hundred forty thousand and is adjacent to another country; or

(c) Has a population greater than forty thousand but less than seventy-five thousand and has an average level of unemployment for the preceding three years that exceeds the average state unemployment for those years by twenty percent; and

(i) Is bordered by the Pacific Ocean; or

(ii) Is located in the Interstate 5 or Interstate 90 corridor.

(10) This section and the termination date specified in subsection (7)(b) of this section apply to a county that at the time the process is established under subsection (1) of this section:

(a) Has a population greater than forty thousand but fewer than eighty thousand;

(b) Has an average level of unemployment for the preceding three years that exceeds the average state unemployment for those years by twenty percent; and

(c) Is located in the Interstate 5 or Interstate 90 corridor.

Passed the House March 13, 2001.

Passed the Senate April 18, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 327

[Substitute House Bill 2046]

TRUSTS—ANIMALS

AN ACT Relating to validating trusts created for the benefit of nonhuman animals; adding a new chapter to Title 11 RCW; providing an effective date; and providing contingent effective dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The purpose of this chapter is to recognize and validate certain trusts that are established for the benefit of animals. Under the common law such trusts were unenforceable at law. The legislature intends that such trusts be recognized as valid, and that such trusts be enforceable in accordance with their terms.

NEW SECTION. Sec. 2. As used in this chapter, "animal" means a nonhuman animal with vertebrae.

NEW SECTION. Sec. 3. A trust for the care of one or more animals is valid. The animals that are to be benefited by the trust may be individually identified, or may be identified in such other manner that they can be readily identified. Unless otherwise provided in the trust instrument or in this chapter, the trust will terminate when no animal that is designated as a beneficiary of the trust remains living.

NEW SECTION. Sec. 4. Except as expressly provided otherwise in the trust instrument or in section 8 of this act, and except as may be necessary to pay the trustee reasonable compensation and to reimburse the trustee for reasonable costs incurred on behalf of the trust, no portion of the principal or income of the trust may be converted to the use of the trustee or to any use other than for the trust's purpose or for the benefit of the designated animal or animals.

NEW SECTION. Sec. 5. Upon termination of the trust, the trustee shall transfer the unexpended trust property in the following order:

(1) As directed in the instrument;

(2) If the trust was created in a nonresiduary clause in the trustor's will or in a codicil to the trustor's will and the will or codicil does not direct otherwise, under the residuary clause in the trustor's will, which shall be read as though the testator died on the date the trust terminated; and

(3) If no taker is produced by the application of subsection (1) or (2) of this section, to the trustor's heirs under RCW 11.04.015, as it exists at the time of the trust's termination.

NEW SECTION. Sec. 6. The intended use of the principal or income can be enforced by a person designated for that purpose in the trust instrument, by the person having custody of an animal that is a beneficiary of the trust, or by a person appointed by a court upon application to it by any person. A person with an interest in the welfare of the animal may petition for an order appointing or removing a person designated or appointed to enforce the trust.

NEW SECTION. Sec. 7. Except as ordered by the court or required by the trust instrument, no filing, report, registration, or periodic accounting shall be required of the trust or the trustee.

NEW SECTION. Sec. 8. If no trustee is designated or no designated trustee is willing or able to serve, the court shall name a trustee. The court may order the removal of an acting trustee and the transfer of the property to another trustee if it is necessary or appropriate in order to assure that the intended use is carried out. A court may also make such other orders and determinations as shall be advisable to carry out the intent of the trustor and the purpose of this chapter.

NEW SECTION. Sec. 9. In construing the language of a trust for an animal, the governing instrument shall be liberally construed to provide the protections of this chapter. It is presumed that language contained in a trust for an animal is not merely precatory or honorary in nature unless it can be shown by clear and cogent evidence that such was the trustor's intent. Extrinsic evidence is admissible in determining the trustor's intent.

****NEW SECTION. Sec. 10. RCW 11.98.130 through 11.98.160 apply to trusts that are subject to this chapter. If applicable, any reference in those statutes to a "life or lives in being or conceived at the effective date of the***

instrument" shall be construed to refer to any animal that is a beneficiary of the trust and that is in being or conceived at the effective date of the instrument.

*Sec. 10 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 11. RCW 11.98.130 through 11.98.160 apply to trusts that are subject to this chapter.

NEW SECTION. Sec. 12. Except as otherwise provided in the trust instrument or in this chapter, all powers and duties conferred on a trustee under Washington law also apply to the trustee of a trust for animals.

NEW SECTION. Sec. 13. This chapter applies to trusts that are created on or after the effective date of this act and to trusts that are in existence on the effective date of this act, but that are revocable by the trustor on the effective date of this act. If a trustor is incompetent to exercise a power of revocation on the effective date of this act, this chapter does not apply to such trust unless the trustor later becomes competent to exercise such power of revocation, in which case this chapter applies to such trust.

***NEW SECTION. Sec. 14. (1)** Sections 1 through 9, 12, and 13 of this act take effect October 1, 2001.

(2) Section 10 of this act takes effect October 1, 2001, if Senate Bill No. 5054, or its legislative successor bearing the same bill number, does not take effect by October 1, 2001.

(3) Section 11 of this act takes effect October 1, 2001, if Senate Bill No. 5054, or its legislative successor bearing the same bill number, takes effect by October 1, 2001.

*Sec. 14 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 15. Sections 1 through 14 of this act constitute a new chapter in Title 11 RCW.

Passed the House April 22, 2001.

Passed the Senate April 5, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 10 and 14, Substitute House Bill No. 2046 entitled:

"AN ACT Relating to validating trusts created for the benefit of nonhuman animals;"

Substitute House Bill No. 2046 will allow trusts created for the benefit of vertebrate animals to be legally recognized and enforceable. This change in the law will allow people to ensure that their pets will be cared for after their owner's death.

Sections 10 and 14 of the bill were intended to address contingencies that could be caused by the rule against perpetuities. However, those issues were resolved with Senate Bill No. 5054, which I signed on April 18, 2001.

For these reasons, I have vetoed sections 10 and 14 of Substitute House Bill No. 2046.

With the exception of sections 10 and 14, Substitute House Bill No. 2046 is approved."

CHAPTER 328

[Engrossed Substitute Senate Bill 5060]

ALTERNATIVE PUBLIC WORKS CONTRACTING PROCEDURES

AN ACT Relating to alternative public works contracting procedures; amending RCW 39.10.020, 39.10.115, and 39.10.902; reenacting and amending RCW 39.10.120; adding new sections to chapter 39.10 RCW; repealing RCW 39.10.050, 39.10.060, and 39.10.110; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 39.10.020 and 2000 c 209 s 1 are each amended to read as follows:

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

(1) "Alternative public works contracting procedure" means the design-build and the general contractor/construction manager contracting procedures authorized in ~~((RCW 39.10.050 and 39.10.060))~~ sections 2 and 3 of this act, respectively.

(2) "Public body" means the state department of general administration; the University of Washington; Washington State University; every city with a population greater than ~~((one hundred fifty))~~ seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755 and specifically authorized as provided in RCW 39.10.120(4); ~~((every city authorized to use the design-build procedure for a water system demonstration project under RCW 39.10.065(3);))~~ every county with a population greater than four hundred fifty thousand; every port district with ~~((a population))~~ total revenues greater than ~~((five hundred thousand))~~ fifteen million dollars per year; every public utility district with revenues from energy sales greater than twenty-three million dollars per year; and those school districts proposing projects that are considered and approved by the school district project review board under RCW 39.10.115.

(3) "Public works project" means any work for a public body within the definition of the term public work in RCW 39.04.010.

NEW SECTION. **Sec. 2.** A new section is added to chapter 39.10 RCW to read as follows:

(1) Notwithstanding any other provision of law, and after complying with RCW 39.10.030, the following public bodies may utilize the design-build procedure of public works contracting for public works projects authorized under this section: The state department of general administration; the University of Washington; Washington State University; every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755 and specifically authorized as provided in RCW 39.10.120(4); every county with a population greater than four hundred fifty thousand; every public utility district with revenues from energy sales greater than

twenty-three million dollars per year; and every port district with total revenues greater than fifteen million dollars per year. The authority granted to port districts in this section is in addition to and does not affect existing contracting authority under RCW 53.08.120 and 53.08.130. For the purposes of this section, "design-build procedure" means a contract between a public body and another party in which the party agrees to both design and build the facility, portion of the facility, or other item specified in the contract.

(2) Public bodies authorized under this section may utilize the design-build procedure for public works projects valued over twelve million dollars where:

(a) The construction activities or technologies to be used are highly specialized and a design-build approach is critical in developing the construction methodology or implementing the proposed technology; or

(b) The project design is repetitive in nature and is an incidental part of the installation or construction; or

(c) Regular interaction with and feedback from facilities users and operators during design is not critical to an effective facility design.

(3) Public bodies authorized under this section may also use the design-build procedure for the following projects that meet the criteria in subsection (2)(b) and (c) of this section:

(a) The construction or erection of preengineered metal buildings or prefabricated modular buildings, regardless of cost; or

(b) The construction of new student housing projects valued over five million dollars.

(4) Contracts for design-build services shall be awarded through a competitive process utilizing public solicitation of proposals for design-build services. The public body shall publish at least once in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public work will be done, a notice of its request for proposals for design-build services and the availability and location of the request for proposal documents. The request for proposal documents shall include:

(a) A detailed description of the project including programmatic, performance, and technical requirements and specifications, functional and operational elements, minimum and maximum net and gross areas of any building, and, at the discretion of the public body, preliminary engineering and architectural drawings;

(b) The reasons for using the design-build procedure;

(c) A description of the qualifications to be required of the proposer including, but not limited to, submission of the proposer's accident prevention program;

(d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. Evaluation factors shall include, but not be limited to: Proposal price; ability of professional personnel; past performance on similar projects; ability to meet time and budget requirements; ability to provide a performance and payment

bond for the project; recent, current, and projected work loads of the firm; location; and the concept of the proposal;

(e) The form of the contract to be awarded;

(f) The amount to be paid to finalists submitting best and final proposals who are not awarded a design-build contract; and

(g) Other information relevant to the project.

(5) The public body shall establish a committee to evaluate the proposals based on the factors, weighting, and process identified in the request for proposals. Based on its evaluation, the public body shall select not fewer than three nor more than five finalists to submit best and final proposals. The public body may, in its sole discretion, reject all proposals. Design-build contracts shall be awarded using the procedures in (a) or (b) of this subsection.

(a) Best and final proposals shall be evaluated and scored based on the factors, weighting, and process identified in the initial request for proposals. The public body may score the proposals using a system that measures the quality and technical merits of the proposal on a unit price basis. Final proposals may not be considered if the proposal cost is greater than the maximum allowable construction cost identified in the initial request for proposals. The public body shall initiate negotiations with the firm submitting the highest scored best and final proposal. If the public body is unable to execute a contract with the firm submitting the highest scored best and final proposal, negotiations with that firm may be suspended or terminated and the public body may proceed to negotiate with the next highest scored firm. Public bodies shall continue in accordance with this procedure until a contract agreement is reached or the selection process is terminated.

(b) If the public body determines that all finalists are capable of producing plans and specifications that adequately meet project requirements, the public body may award the contract to the firm that submits the responsive best and final proposal with the lowest price.

(6) The firm awarded the contract shall provide a performance and payment bond for the contracted amount. The public body shall provide appropriate honorarium payments to finalists submitting best and final proposals who are not awarded a design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on design-build projects.

NEW SECTION. Sec. 3. A new section is added to chapter 39.10 RCW to read as follows:

(1) Notwithstanding any other provision of law, and after complying with RCW 39.10.030, a public body may utilize the general contractor/construction manager procedure of public works contracting for public works projects authorized under subsection (2) of this section. For the purposes of this section, "general contractor/construction manager" means a firm with which a public body has selected and negotiated a maximum allowable construction cost to be

guaranteed by the firm, after competitive selection through formal advertisement and competitive bids, to provide services during the design phase that may include life-cycle cost design considerations, value engineering, scheduling, cost estimating, constructability, alternative construction options for cost savings, and sequencing of work, and to act as the construction manager and general contractor during the construction phase.

(2) Except those school districts proposing projects that are considered and approved by the school district project review board, public bodies authorized under this section may utilize the general contractor/construction manager procedure for public works projects valued over twelve million dollars where:

(a) Implementation of the project involves complex scheduling requirements;

or

(b) The project involves construction at an existing facility which must continue to operate during construction; or

(c) The involvement of the general contractor/construction manager during the design stage is critical to the success of the project.

(3) Public bodies should select general contractor/construction managers early in the life of public works projects, and in most situations no later than the completion of schematic design.

(4) Contracts for the services of a general contractor/construction manager under this section shall be awarded through a competitive process requiring the public solicitation of proposals for general contractor/construction manager services. The public solicitation of proposals shall include: A description of the project, including programmatic, performance, and technical requirements and specifications when available; the reasons for using the general contractor/construction manager procedure; a description of the qualifications to be required of the proposer, including submission of the proposer's accident prevention program; a description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors; the form of the contract to be awarded; the estimated maximum allowable construction cost; and the bid instructions to be used by the general contractor/construction manager finalists. Evaluation factors shall include, but not be limited to: Ability of professional personnel, past performance in negotiated and complex projects, and ability to meet time and budget requirements; the scope of work the general contractor/construction manager proposes to self-perform and its ability to perform it; location; recent, current, and projected work loads of the firm; and the concept of their proposal. A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, these finalists shall submit final proposals, including sealed bids for the percent fee, which is the percentage amount to be earned by the general contractor/construction manager as overhead and profit, on the estimated maximum allowable construction cost and the fixed amount for the detailed specified general conditions work. The public body shall select the firm submitting the highest scored final

proposal using the evaluation factors and the relative weight of factors published in the public solicitation of proposals.

(5) The maximum allowable construction cost may be negotiated between the public body and the selected firm after the scope of the project is adequately determined to establish a guaranteed contract cost for which the general contractor/construction manager will provide a performance and payment bond. The guaranteed contract cost includes the fixed amount for the detailed specified general conditions work, the negotiated maximum allowable construction cost, the percent fee on the negotiated maximum allowable construction cost, and sales tax. If the public body is unable to negotiate a satisfactory maximum allowable construction cost with the firm selected that the public body determines to be fair, reasonable, and within the available funds, negotiations with that firm shall be formally terminated and the public body shall negotiate with the next highest scored firm and continue until an agreement is reached or the process is terminated. If the maximum allowable construction cost varies more than fifteen percent from the bid estimated maximum allowable construction cost due to requested and approved changes in the scope by the public body, the percent fee shall be renegotiated.

(6) All subcontract work shall be competitively bid with public bid openings. When critical to the successful completion of a subcontractor bid package and after publication of notice of intent to determine bidder eligibility in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public work will be done at least twenty days before requesting qualifications from interested subcontract bidders, the owner and general contractor/construction manager may determine subcontractor bidding eligibility using the following evaluation criteria:

- (a) Adequate financial resources or the ability to secure such resources;
- (b) History of successful completion of a contract of similar type and scope;
- (c) Project management and project supervision personnel with experience on similar projects and the availability of such personnel for the project;
- (d) Current and projected workload and the impact the project will have on the subcontractor's current and projected workload;
- (e) Ability to accurately estimate the subcontract bid package scope of work;
- (f) Ability to meet subcontract bid package shop drawing and other coordination procedures;
- (g) Eligibility to receive an award under applicable laws and regulations; and
- (h) Ability to meet subcontract bid package scheduling requirements.

The owner and general contractor/construction manager shall weigh the evaluation criteria and determine a minimum acceptable score to be considered an eligible subcontract bidder.

After publication of notice of intent to determine bidder eligibility, subcontractors requesting eligibility shall be provided the evaluation criteria and weighting to be used by the owner and general contractor/construction manager to

determine eligible subcontract bidders. After the owner and general contractor/construction manager determine eligible subcontract bidders, subcontractors requesting eligibility shall be provided the results and scoring of the subcontract bidder eligibility determination.

Subcontract bid packages shall be awarded to the responsible bidder submitting the low responsive bid. The requirements of RCW 39.30.060 apply to each subcontract bid package. All subcontractors who bid work over three hundred thousand dollars shall post a bid bond and all subcontractors who are awarded a contract over three hundred thousand dollars shall provide a performance and payment bond for their contract amount. All other subcontractors shall provide a performance and payment bond if required by the general contractor/construction manager. A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project. Except as provided for under subsection (7) of this section, bidding on subcontract work by the general contractor/construction manager or its subsidiaries is prohibited. The general contractor/construction manager may negotiate with the low-responsive bidder in accordance with RCW 39.10.080 or, if unsuccessful in such negotiations, rebid.

(7) The general contractor/construction manager, or its subsidiaries, may bid on subcontract work if:

(a) The work within the subcontract bid package is customarily performed by the general contractor/construction manager;

(b) The bid opening is managed by the public body; and

(c) Notification of the general contractor/construction manager's intention to bid is included in the public solicitation of bids for the bid package.

In no event may the value of subcontract work performed by the general contractor/construction manager exceed thirty percent of the negotiated maximum allowable construction cost.

(8) A public body may include an incentive clause in any contract awarded under this section for savings of either time or cost or both from that originally negotiated. No incentives granted may exceed five percent of the maximum allowable construction cost. If the project is completed for less than the agreed upon maximum allowable construction cost, any savings not otherwise negotiated as part of an incentive clause shall accrue to the public body. If the project is completed for more than the agreed upon maximum allowable construction cost, excepting increases due to any contract change orders approved by the public body, the additional cost shall be the responsibility of the general contractor/construction manager.

Sec. 4. RCW 39.10.115 and 2000 c 209 s 4 are each amended to read as follows:

(1) The school district project review board is established to review school district proposals submitted by school districts to use alternative public works contracting procedures. The board shall select and approve qualified projects

based upon an evaluation of the information submitted by the school district under subsection (2) of this section. ~~((The membership of the board shall be selected by the independent oversight committee as established under RCW 39.10.110))~~ After July 1, 2001, any appointments for full terms or to fill a vacancy shall be made by the governor and shall include the following representatives, each having experience with public works or commercial construction: One representative from the office of the superintendent of public instruction; one representative from the office of financial management; two representatives from the construction industry, one of whom works for a construction company with gross annual revenues of twenty million dollars or less; one representative from the specialty contracting industry; one representative from organized labor; one representative from the design industry; one representative from a public body previously authorized under this chapter to use an alternative public works contracting procedure who has experience using such alternative contracting procedures; one representative from school districts with ten thousand or more annual average full-time equivalent pupils; and one representative from school districts with fewer than ten thousand average full-time equivalent pupils. Each member shall be appointed for a term of three years, with the first three-year term commencing after June 8, 2000. Any member of the school district project review board who is directly affiliated with any applicant before the board must recuse him or herself from consideration of the application.

(2) A school district seeking to use alternative contracting procedures authorized under this chapter shall file an application with the school district project review board. The application form shall require the district to submit a detailed statement of the proposed project, including the school district's name; student population based upon October full-time equivalents; the current projected total budget for the project, including the estimated construction costs, costs for professional services, equipment and furnishing costs, off-site costs, contract administration costs, and other related project costs; the anticipated project design and construction schedule; a summary of the school district's construction activity for the preceding six years; and an explanation of why the school district believes the use of an alternative contracting procedure is in the public interest and why the school district is qualified to use an alternative contracting procedure, including a summary of the relevant experience of the school district's management team. The applicant shall also provide in a timely manner any other information concerning implementation of projects under this chapter requested by the school district project review board to assist in its consideration.

(3) Any school district whose application is approved by the school district project review board shall comply with the public notification and review requirements in RCW 39.10.030.

(4) Any school district whose application is approved by the school district project review board shall not use as an evaluation factor whether a contractor

submitting a bid for the approved project has had prior general contractor/construction manager procedure experience.

~~((5) The school district project review board shall prepare and issue a report reviewing the use of the alternative public works contracting procedures by school districts. The board shall report to the independent oversight committee at least sixty days before the oversight committee is required to report to the legislature under RCW 39.10.110(4).)~~

Sec. 5. RCW 39.10.120 and 1997 c 376 s 7 and 1997 c 220 s 404 are each reenacted and amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, the alternative public works contracting procedures authorized under this chapter are limited to public works contracts signed before July 1, ~~((2001))~~ 2007. Methods of public works contracting authorized by RCW 39.10.050 and 39.10.060 or sections 2 and 3 of this act shall remain in full force and effect until completion of contracts signed before July 1, ~~((2001))~~ 2007.

(2) For the purposes of a baseball stadium as defined in RCW 82.14.0485, the design-build contracting procedures under RCW 39.10.050 shall remain in full force and effect until completion of contracts signed before December 31, 1997.

(3) For the purposes of a stadium and exhibition center, as defined in RCW 36.102.010, the design-build contracting procedures under RCW 39.10.050 or section 2 of this act shall remain in full force and effect until completion of contracts signed before December 31, 2002.

(4) A public authority chartered by a city that is a public body may utilize an alternative public works contracting procedure under this chapter only after receiving specific authorization on a project-by-project basis from the governing body of the city. For purposes of public authorities authorized to use alternative public works contracting procedures under this chapter, the city chartering any such public authority shall itself comply with RCW 39.10.030 on behalf of the public authority.

Sec. 6. RCW 39.10.902 and 1997 c 376 s 8 are each amended to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective July 1, ~~((2001))~~ 2007:

- (1) RCW 39.10.010 and 1994 c 132 s 1;
- (2) RCW 39.10.020 and section 1 of this act, 2000 c 209 s 1, 1997 c 376 s 1, & 1994 c 132 s 2;
- (3) RCW 39.10.030 and 1997 c 376 s 2 & 1994 c 132 s 3;
- (4) RCW 39.10.040 and 1994 c 132 s 4;
- (5) ~~((RCW 39.10.050 and 1994 c 132 s 5))~~ Section 2 of this act;
- (6) ~~((RCW 39.10.050 and 1994 c 132 s 5))~~ Section 3 of this act;
- (7) RCW 39.10.065 and 1997 c 376 s 5;
- (8) RCW 39.10.067 and 2000 c 209 s 3;
- (9) RCW 39.10.070 and 1994 c 132 s 7;

- ~~((9)) (10) RCW 39.10.080 and 1994 c 132 s 8;~~
~~((10)) (11) RCW 39.10.090 and 1994 c 132 s 9;~~
~~((11)) (12) RCW 39.10.100 and 1994 c 132 s 10;~~
~~((12) RCW 39.10.110 and 1994 c 132 s 11;)~~
 (13) RCW 39.10.115 and section 4 of this act & 2000 c 209 s 4;
(14) RCW 39.10.900 and 1994 c 132 s 13; and
~~((14)) (15) RCW 39.10.901 and 1994 c 132 s 14((and~~
~~(15) RCW 39.10.902 and 1994 c 132 s 15)).~~

NEW SECTION. Sec. 7. The following acts or parts of acts are each repealed:

- (1) RCW 39.10.050 (Design-build procedure—Which public bodies may use) and 1997 c 376 s 3 & 1994 c 132 s 5;
 (2) RCW 39.10.060 (General contractor/construction manager procedure—Which public bodies may use—Limitations) and 2000 c 209 s 2, 2000 c 194 s 1, 1997 c 376 s 4, 1996 c 18 s 6, & 1994 c 132 s 6; and
 (3) RCW 39.10.110 (Temporary independent oversight committee) and 1997 c 376 s 6 & 1994 c 132 s 11.

NEW SECTION. Sec. 8. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the Senate April 16, 2001.

Passed the House April 4, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 329

[Engrossed Senate Bill 5143]

STATE PATROL RETIREMENT SYSTEM

AN ACT Relating to the Washington state patrol retirement system retirement and survivor benefits; amending RCW 43.43.040, 43.43.120, 43.43.260, 43.43.270, 43.43.274, 43.43.278, and 41.45.060; adding new sections to chapter 43.43 RCW; adding a new section to chapter 41.45 RCW; repealing RCW 43.43.272, 43.43.276, and 43.43.300; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

**Sec. 1. RCW 43.43.040 and 1998 c 194 s 1 are each amended to read as follows:*

(1) The chief of the Washington state patrol shall relieve from active duty Washington state patrol officers who, while in the performance of their official duties, or while on standby or available for duty, have been or hereafter may be injured or incapacitated to such an extent as to be mentally or physically incapable of active service: PROVIDED, That:

(a) Any officer disabled while performing line duty who is found by the chief to be physically incapacitated shall be placed on disability leave for a period not

to exceed six months from the date of injury or the date incapacitated. During this period, the officer shall be entitled to all pay, benefits, insurance, leave, and retirement contributions awarded to an officer on active status, less any compensation received through the department of labor and industries. No such disability leave shall be approved until an officer has been unavailable for duty for more than forty consecutive work hours. Prior to the end of the six-month period, the chief shall either place the officer on disability status or return the officer to active status.

For the purposes of this section, "line duty" is active service which encompasses the traffic law enforcement duties and/or other law enforcement responsibilities of the state patrol. These activities encompass all enforcement practices of the laws, accident and criminal investigations, or actions requiring physical exertion or exposure to hazardous elements.

The chief shall define by rule the situations where a disability has occurred during line duty;

(b) Benefits under this section for a disability that is incurred while in other employment will be reduced by any amount the officer receives or is entitled to receive from workers' compensation, social security, group insurance, other pension plan, or any other similar source provided by another employer on account of the same disability;

(c) An officer injured while engaged in willfully tortious or criminal conduct shall not be entitled to disability benefits under this section; and

(d) For members commissioned prior to January 1, 2003, should a disability beneficiary whose disability was not incurred in line of duty, prior to attaining age fifty, engage in a gainful occupation, the chief shall reduce the amount of his retirement allowance to an amount which when added to the compensation earned by him in such occupation shall not exceed the basic salary currently being paid for the rank the retired officer held at the time he was disabled. All such disability beneficiaries under age fifty shall file with the chief every six months a signed and sworn statement of earnings and any person who shall knowingly swear falsely on such statement shall be subject to prosecution for perjury. Should the earning capacity of such beneficiary be further altered, the chief may further alter his disability retirement allowance as indicated above. The failure of any officer to file the required statement of earnings shall be cause for cancellation of retirement benefits.

(2) ~~((Officers))~~ (a) Members commissioned prior to January 1, 2003, on disability status shall receive one-half of their compensation at the existing wage, during the time the disability continues in effect, less any compensation received through the department of labor and industries. They shall be subject to mental or physical examination at any state institution or otherwise under the direction of the chief of the patrol at any time during such relief from duty to ascertain whether or not they are able to resume active duty.

(b) Members commissioned on or after January 1, 2003, on disability status as a result of a line duty disability shall receive a line duty disability allowance of one-half of their compensation at the existing wage, during the time the disability continues in effect, less any compensation received through the department of labor and industries, and any retirement allowance under section 2 of this act. They shall be subject to such comprehensive medical examinations as required by the chief of the patrol at any time during such relief from duty. If these medical examinations reveal that a member has recovered from the incapacitating disability and the member is offered reemployment by the chief at a comparable compensation, the member shall cease to be eligible for this line duty disability allowance.

*Sec. 1 was vetoed. See message at end of chapter.

***NEW SECTION.** *See. 2. (1) A member of the retirement system commissioned on or after January 1, 2003, who becomes totally incapacitated for continued employment by an employer as determined by the department upon recommendation of the department shall be eligible to receive an allowance under RCW 43.43.260. The member shall receive a monthly disability allowance computed as provided for in RCW 43.43.260 and shall have this allowance actuarially reduced to reflect the difference in the number of years between age at disability and the attainment of age fifty-five or from when the member could have attained twenty-five years of service, whichever is less.*

Any member who receives an allowance under the provisions of this section shall be subject to comprehensive medical examinations as required by the department. If these medical examinations reveal that a member has recovered from the incapacitating disability and the member is offered reemployment by the chief at a comparable compensation, the member shall cease to be eligible for the allowance.

(2) If the recipient of a monthly retirement allowance under this section dies before the total of the retirement allowance paid to the recipient equals the amount of the accumulated contributions at the date of retirement, then the balance shall be paid to the member's estate, or the person or persons, trust, or organization as the recipient has nominated by written designation duly executed and filed with the director, or if there is no designated person or persons still living at the time of the recipient's death, then to the surviving spouse, or if there is no designated person or persons still living at the time of his or her death nor a surviving spouse, then to his or her legal representative.

*Sec. 2 was vetoed. See message at end of chapter.

Sec. 3. RCW 43.43.120 and 1999 c 74 s 1 are each amended to read as follows:

As used in the following sections, unless a different meaning is plainly required by the context:

- (1) "Retirement system" means the Washington state patrol retirement system.
- (2) "Retirement fund" means the Washington state patrol retirement fund.

(3) "State treasurer" means the treasurer of the state of Washington.

(4) "Member" means any person included in the membership of the retirement fund.

(5) "Employee" means any commissioned employee of the Washington state patrol.

(6)(a) "Cadet," for a person who became a member of the retirement system after June 12, 1980, is a person who has passed the Washington state patrol's entry-level oral, written, physical performance, and background examinations and is, thereby, appointed by the chief as a candidate to be a commissioned officer of the Washington state patrol.

(b) "Cadet," for a person who became a member of the retirement system before June 12, 1980, is a trooper cadet, patrol cadet, or employee of like classification, employed for the express purpose of receiving the on-the-job training required for attendance at the state patrol academy and for becoming a commissioned trooper. "Like classification" includes: Radio operators or dispatchers; persons providing security for the governor or legislature; patrolmen; drivers' license examiners; weighmasters; vehicle safety inspectors; central wireless operators; and warehousemen.

(7) "Beneficiary" means any person in receipt of retirement allowance or any other benefit allowed by this chapter.

(8) "Regular interest" means interest compounded annually at such rates as may be determined by the director.

(9) "Retirement board" means the board provided for in this chapter.

(10) "Insurance commissioner" means the insurance commissioner of the state of Washington.

(11) "Lieutenant governor" means the lieutenant governor of the state of Washington.

(12) "Service" shall mean services rendered to the state of Washington or any political subdivisions thereof for which compensation has been paid. Full time employment for seventy or more hours in any given calendar month shall constitute one month of service. An employee who is reinstated in accordance with RCW 43.43.110 shall suffer no loss of service for the period reinstated subject to the contribution requirements of this chapter. Only months of service shall be counted in the computation of any retirement allowance or other benefit provided for herein. Years of service shall be determined by dividing the total number of months of service by twelve. Any fraction of a year of service as so determined shall be taken into account in the computation of such retirement allowance or benefit.

(13) "Prior service" shall mean all services rendered by a member to the state of Washington, or any of its political subdivisions prior to August 1, 1947, unless such service has been credited in another public retirement or pension system operating in the state of Washington.

(14) "Current service" shall mean all service as a member rendered on or after August 1, 1947.

(15)(a) "Average final salary," for members commissioned prior to January 1, 2003, shall mean the average monthly salary received by a member during the member's last two years of service or any consecutive two-year period of service, whichever is the greater, as an employee of the Washington state patrol; or if the member has less than two years of service, then the average monthly salary received by the member during the member's total years of service.

(b) "Average final salary," for members commissioned on or after January 1, 2003, shall mean the average monthly salary received by a member for the highest consecutive sixty service credit months; or if the member has less than sixty months of service, then the average monthly salary received by the member during the member's total months of service.

(16) "Actuarial equivalent" shall mean a benefit of equal value when computed upon the basis of such mortality table as may be adopted and such interest rate as may be determined by the director.

(17) Unless the context expressly indicates otherwise, words importing the masculine gender shall be extended to include the feminine gender and words importing the feminine gender shall be extended to include the masculine gender.

(18) "Director" means the director of the department of retirement systems.

(19) "Department" means the department of retirement systems created in chapter 41.50 RCW.

(20) "State actuary" or "actuary" means the person appointed pursuant to RCW 44.44.010(2).

(21) "Contributions" means the deduction from the compensation of each member in accordance with the contribution rates established under ~~((RCW 43.43.300))~~ chapter 41.45 RCW.

(22) "Annual increase" means as of July 1, 1999, seventy-seven cents per month per year of service which amount shall be increased each subsequent July 1st by three percent, rounded to the nearest cent.

(23)(a) "Salary," for members commissioned prior to July 1, 2001, shall exclude any overtime earnings related to RCW 47.46.040, or any voluntary overtime, earned on or after July 1, 2001.

(b) "Salary," for members commissioned on or after July 1, 2001, shall exclude any overtime earnings related to RCW 47.46.040 or any voluntary overtime, lump sum payments for deferred annual sick leave, unused accumulated vacation, unused accumulated annual leave, holiday pay, or any form of severance pay.

(24) "Plan 2" means the Washington state patrol retirement system plan 2, providing the benefits and funding provisions covering commissioned employees who first become members of the system on or after January 1, 2003.

Sec. 4. RCW 43.43.260 and 1994 c 197 s 34 are each amended to read as follows:

Upon retirement from service as provided in RCW 43.43.250, a member shall be granted a retirement allowance which shall consist of:

(1) A prior service allowance which shall be equal to two percent of the member's average final salary multiplied by the number of years of prior service rendered by the member.

(2) A current service allowance which shall be equal to two percent of the member's average final salary multiplied by the number of years of service rendered while a member of the retirement system.

(3)(a) Any member commissioned prior to January 1, 2003, with twenty-five years service in the Washington state patrol may have the member's service in the armed forces credited as a member whether or not the individual left the employ of the Washington state patrol to enter such armed forces: PROVIDED, That in no instance shall military service in excess of five years be credited: AND PROVIDED FURTHER, That in each instance, a member must restore all withdrawn accumulated contributions, which restoration must be completed on the date of the member's retirement, or as provided under RCW 43.43.130, whichever occurs first: AND PROVIDED FURTHER, That this section shall not apply to any individual, not a veteran within the meaning of RCW 41.06.150, as now or hereafter amended: AND PROVIDED FURTHER, That in no instance shall military service be credited to any member who is receiving full military retirement benefits pursuant to Title 10 United States Code, as now or hereafter amended.

(b) A member who leaves the Washington state patrol to enter the armed forces of the United States shall be entitled to retirement system service credit for up to five years of military service. This subsection shall be administered in a manner consistent with the requirements of the federal uniformed services employment and reemployment rights act.

(i) The member qualifies for service credit under this subsection if:

(A) Within ninety days of the member's honorable discharge from the United States armed forces, the member applies for reemployment with the employer who employed the member immediately prior to the member entering the United States armed forces; and

(B) The member makes the employee contributions required under section 11 of this act and RCW 41.45.067 within five years of resumption of service or prior to retirement, whichever comes sooner; or

(C) Prior to retirement and not within ninety days of the member's honorable discharge or five years of resumption of service the member pays the amount required under RCW 41.50.165(2).

(ii) Upon receipt of member contributions under (b)(i)(B) of this subsection, the department shall establish the member's service credit and shall bill the employer for its contribution required under RCW 41.45.060 for the period of military service, plus interest as determined by the department.

(iii) The contributions required under (b)(i)(B) of this subsection shall be based on the compensation the member would have earned if not on leave, or if

that cannot be estimated with reasonable certainty, the compensation reported for the member in the year prior to when the member went on military leave.

(4) In no event shall the total retirement benefits from subsections (1), (2), and (3) of this section, of any member exceed seventy-five percent of the member's average final salary.

(5) ~~((A yearly increase in retirement allowance which shall amount to two percent of the retirement allowance computed at the time of retirement. This yearly increase shall be added to the retirement allowance on July 1st of each calendar year.))~~ Beginning July 1, 2001, and every year thereafter, the department shall determine the following information for each retired member or beneficiary whose retirement allowance has been in effect for at least one year:

(a) The original dollar amount of the retirement allowance;

(b) The index for the calendar year prior to the effective date of the retirement allowance, to be known as "index A";

(c) The index for the calendar year prior to the date of determination, to be known as "index B"; and

(d) The ratio obtained when index B is divided by index A.

The value of the ratio obtained shall be the annual adjustment to the original retirement allowance and shall be applied beginning with the July payment. In no event, however, shall the annual adjustment:

(i) Produce a retirement allowance which is lower than the original retirement allowance;

(ii) Exceed three percent in the initial annual adjustment; or

(iii) Differ from the previous year's annual adjustment by more than three percent.

For the purposes of this section, "index" means, for any calendar year, that year's average consumer price index for the Seattle-Tacoma-Bremerton Washington area for urban wage earners and clerical workers, all items, compiled by the bureau of labor statistics, United States department of labor.

The provisions of this section shall apply to all members presently retired and to all members who shall retire in the future.

NEW SECTION. Sec. 5. (1) A member commissioned on or after January 1, 2003, upon retirement for service as prescribed in RCW 43.43.250 or disability retirement under RCW 43.43.040, shall elect to have the retirement allowance paid pursuant to the following options, calculated so as to be actuarially equivalent to each other.

(a) Standard allowance. A member electing this option shall receive a retirement allowance payable throughout the member's life. However, if the retiree dies before the total of the retirement allowance paid to the retiree equals the amount of the retiree's accumulated contributions at the time of retirement, then the balance shall be paid to the member's estate, or such person or persons, trust, or organization as the retiree shall have nominated by written designation duly executed and filed with the department; or if there be no such designated person

or persons still living at the time of the retiree's death, then to the surviving spouse; or if there be neither such designated person or persons still living at the time of death nor a surviving spouse, then to the retiree's legal representative.

(b) The department shall adopt rules that allow a member to select a retirement option that pays the member a reduced retirement allowance and upon death, such portion of the member's reduced retirement allowance as the department by rule designates shall be continued throughout the life of and paid to a designated person. Such person shall be nominated by the member by written designation duly executed and filed with the department at the time of retirement. The options adopted by the department shall include, but are not limited to, a joint and one hundred percent survivor option and a joint and fifty percent survivor option.

(2)(a) A member, if married, must provide the written consent of his or her spouse to the option selected under this section, except as provided in (b) of this subsection. If a member is married and both the member and member's spouse do not give written consent to an option under this section, the department will pay the member a joint and fifty percent survivor benefit and record the member's spouse as the beneficiary. This benefit shall be calculated to be actuarially equivalent to the benefit options available under subsection (1) of this section unless spousal consent is not required as provided in (b) of this subsection.

(b) If a copy of a dissolution order designating a survivor beneficiary under RCW 41.50.790 has been filed with the department at least thirty days prior to a member's retirement:

(i) The department shall honor the designation as if made by the member under subsection (1) of this section; and

(ii) The spousal consent provisions of (a) of this subsection do not apply.

(3) No later than January 1, 2003, the department shall adopt rules that allow a member additional actuarially equivalent survivor benefit options, and shall include, but are not limited to:

(a)(i) A retired member who retired without designating a survivor beneficiary shall have the opportunity to designate their spouse from a postretirement marriage as a survivor during a one-year period beginning one year after the date of the postretirement marriage provided the retirement allowance payable to the retiree is not subject to periodic payments pursuant to a property division obligation as provided for in RCW 41.50.670.

(ii) A member who entered into a postretirement marriage prior to the effective date of the rules adopted pursuant to this subsection and satisfies the conditions of (a)(i) of this subsection shall have one year to designate their spouse as a survivor beneficiary following the adoption of the rules.

(b) A retired member who elected to receive a reduced retirement allowance under this section and designated a nonspouse as survivor beneficiary shall have the opportunity to remove the survivor designation and have their future benefit adjusted.

(c) The department may make an additional charge, if necessary, to ensure that the benefits provided under this subsection remain actuarially equivalent.

Sec. 6. RCW 43.43.270 and 1989 c 108 s 1 are each amended to read as follows:

For members commissioned prior to January 1, 2003:

(1) The normal form of retirement allowance shall be an allowance which shall continue as long as the member lives.

(2) If a member should die while in service the member's lawful spouse shall be paid an allowance which shall be equal to fifty percent of the average final salary of the member. If the member should die after retirement the member's lawful spouse shall be paid an allowance which shall be equal to the retirement allowance then payable to the member or fifty percent of the final average salary used in computing the member's retirement allowance, whichever is less. The allowance paid to the lawful spouse shall continue as long as the spouse lives: PROVIDED, That if a surviving spouse who is receiving benefits under this subsection marries another member of this retirement system who subsequently predeceases such spouse, the spouse shall then be entitled to receive the higher of the two survivors' allowances for which eligibility requirements were met, but a surviving spouse shall not receive more than one survivor's allowance from this system at the same time under this subsection. To be eligible for an allowance the lawful surviving spouse of a retired member shall have been married to the member prior to the member's retirement and continuously thereafter until the date of the member's death or shall have been married to the retired member at least two years prior to the member's death.

(3) If a member should die, either while in service or after retirement, the member's surviving unmarried children under the age of eighteen years shall be provided for in the following manner:

(a) If there is a surviving spouse, each child shall be entitled to a benefit equal to five percent of the final average salary of the member or retired member. The combined benefits to the surviving spouse and all children shall not exceed sixty percent of the final average salary of the member or retired member; and

(b) If there is no surviving spouse or the spouse should die, the child or children shall be entitled to a benefit equal to thirty percent of the final average salary of the member or retired member for one child and an additional ten percent for each additional child. The combined benefits to the children under this subsection shall not exceed sixty percent of the final average salary of the member or retired member. Payments under this subsection shall be prorated equally among the children, if more than one.

(4) If a member should die in the line of duty while employed by the Washington state patrol, the member's surviving children under the age of twenty years and eleven months if attending any high school, college, university, or vocational or other educational institution accredited or approved by the state of Washington shall be provided for in the following manner:

(a) If there is a surviving spouse, each child shall be entitled to a benefit equal to five percent of the final average salary of the member. The combined benefits to the surviving spouse and all children shall not exceed sixty percent of the final average salary of the member;

(b) If there is no surviving spouse or the spouse should die, the unmarried child or children shall be entitled to receive a benefit equal to thirty percent of the final average salary of the member or retired member for one child and an additional ten percent for each additional child. The combined benefits to the children under this subsection shall not exceed sixty percent of the final average salary. Payments under this subsection shall be prorated equally among the children, if more than one; and

(c) If a beneficiary under this subsection reaches the age of twenty-one years during the middle of a term of enrollment the benefit shall continue until the end of that term.

(5) The provisions of this section shall apply to members who have been retired on disability as provided in RCW 43.43.040 if the officer was a member of the Washington state patrol retirement system at the time of such disability retirement.

NEW SECTION. Sec. 7. (1) For members commissioned on or after January 1, 2003, except as provided in RCW 11.07.010, if a member or a vested member who has not completed at least ten years of service dies, the amount of the accumulated contributions standing to such member's credit in the retirement system at the time of such member's death, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670, shall be paid to the member's estate, or such person or persons, trust, or organization as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's accumulated contributions standing to such member's credit in the retirement system, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670, shall be paid to the member's estate, or such person or persons, trust, or organization as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's accumulated contributions standing to such member's credit in the retirement system, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670, shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.

(2) If a member who is eligible for retirement or a member who has completed at least ten years of service dies, the surviving spouse or eligible child or children shall elect to receive either:

(a) A retirement allowance computed as provided for in RCW 43.43.260, actuarially reduced by the amount of any lump sum benefit identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670 and actuarially adjusted to reflect a joint and one hundred percent survivor option under RCW 43.43.278 and if the member was not eligible for normal retirement at the date of death a further reduction from age fifty-five or when the member could have attained twenty-five years of service, whichever is less; if a surviving spouse who is receiving a retirement allowance dies leaving a child or children of the member under the age of majority, then such child or children shall continue to receive an allowance in an amount equal to that which was being received by the surviving spouse, share and share alike, until such child or children reach the age of majority; if there is no surviving spouse eligible to receive an allowance at the time of the member's death, such member's child or children under the age of majority shall receive an allowance share and share alike calculated under this section making the assumption that the ages of the spouse and member were equal at the time of the member's death; or

(b)(i) The member's accumulated contributions, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670; or

(ii) If the member dies, one hundred percent of the member's accumulated contributions, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670. Any accumulated contributions attributable to restorations made under RCW 41.50.165(2) shall be refunded at one hundred percent.

(3) If a member who is eligible for retirement or a member who has completed at least ten years of service dies, and is not survived by a spouse or an eligible child, then the accumulated contributions standing to the member's credit, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670, shall be paid:

(a) To an estate, a person or persons, trust, or organization as the member shall have nominated by written designation duly executed and filed with the department; or

(b) If there is no such designated person or persons still living at the time of the member's death, then to the member's legal representatives.

Sec. 8. RCW 43.43.274 and 1999 c 74 s 3 are each amended to read as follows:

Effective ~~((July 1, 1997))~~ January 1, 2003, the minimum retirement allowance under RCW 43.43.260 and 43.43.270(2) in effect on January 1, 2002, shall ~~((not be less than twenty dollars per month for each year of service. Effective July 1, 1999, and annually thereafter, the retirement allowance provided under this section~~

~~shall be adjusted by the annual increase amount. If the member has elected to receive a reduced retirement allowance under RCW 43.43.280(2), the minimum retirement allowance under this section shall be reduced accordingly)) be increased by three percent. Each January 1st thereafter, the minimum retirement allowance of the preceding year shall be increased by three percent.~~

Sec. 9. RCW 43.43.278 and 2000 c 186 s 9 are each amended to read as follows:

By July 1, 2000, the department of retirement systems shall adopt rules that allow a member to select an actuarially equivalent retirement option that pays the member a reduced retirement allowance and upon death shall be continued throughout the life of a lawful surviving spouse. The continuing allowance to the lawful surviving spouse shall be subject to the yearly increase provided by RCW 43.43.260(5) ~~((in lieu of the annual increase provided in RCW 43.43.272))~~. The allowance to the lawful surviving spouse under this section, and the allowance for an eligible child or children under RCW 43.43.270, shall not be subject to the limit for combined benefits under RCW 43.43.270.

Sec. 10. RCW 41.45.060 and 2000 2nd sp.s. c 1 s 905 are each amended to read as follows:

(1) The state actuary shall provide actuarial valuation results based on the assumptions adopted under RCW 41.45.030.

(2) Not later than September 30, 1998, and every two years thereafter, consistent with the assumptions adopted under RCW 41.45.030, the council shall adopt and may make changes to:

(a) A basic state contribution rate for the law enforcement officers' and fire fighters' retirement system;

(b) Basic employer contribution rates for the public employees' retirement system, the teachers' retirement system, and the Washington state patrol retirement system to be used in the ensuing biennial period; and

(c) A basic employer contribution rate for the school employees' retirement system for funding the public employees' retirement system plan 1.

For the 1999-2001 fiscal biennium, the rates adopted by the council shall be effective for the period designated in section 902, chapter 1, Laws of 2000 2nd sp. sess. and RCW 41.45.0602.

(3) The employer and state contribution rates adopted by the council shall be the level percentages of pay that are needed:

(a) To fully amortize the total costs of the public employees' retirement system plan 1, the teachers' retirement system plan 1, and the law enforcement officers' and fire fighters' retirement system plan 1 ~~((; and the unfunded liability of the Washington state patrol retirement system))~~ not later than June 30, 2024, except as provided in subsection (5) of this section;

(b) To also continue to fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the school employees' retirement system plans 2 and 3, and the law enforcement officers' and fire fighters'

retirement system plan 2 in accordance with RCW 41.45.061, 41.45.067, and this section; and

(c) For the law enforcement officers' and fire fighters' system plan 2 the rate charged to employers, except as provided in RCW 41.26.450, shall be thirty percent of the cost of the retirement system and the rate charged to the state shall be twenty percent of the cost of the retirement system.

(4) The aggregate actuarial cost method shall be used to calculate a combined plan 2 and 3 employer contribution rate and a Washington state patrol retirement system contribution rate.

(5) An amount equal to the amount of extraordinary investment gains as defined in RCW 41.31.020 shall be used to shorten the amortization period for the public employees' retirement system plan 1 and the teachers' retirement system plan 1.

(6) The council shall immediately notify the directors of the office of financial management and department of retirement systems of the state and employer contribution rates adopted.

(7) The director of the department of retirement systems shall collect those rates adopted by the council.

NEW SECTION. Sec. 11. Beginning July 1, 2001, the required contribution rate for members of the Washington state patrol retirement system shall be two percent or equal to the employer rate adopted under RCW 41.45.060 and 41.45.070 for the Washington state patrol retirement system, whichever is greater.

NEW SECTION. Sec. 12. The following acts or parts of acts are each repealed:

(1) RCW 43.43.272 (Surviving spouse allowance—Annual adjustment) and 1999 c 74 s 2;

(2) RCW 43.43.276 (Retirement and beneficiary allowances—Post-retirement adjustment—Minimum adjustment) and 1983 1st ex.s. c 56 s 5; and

(3) RCW 43.43.300 (Contributions by members—State contributions remain in fund if member leaves patrol) and 2000 c 17 s 1 & 1965 c 8 s 43.43.300.

NEW SECTION. Sec. 13. (1) Sections 2, 5, and 7 of this act are each added to chapter 43.43 RCW.

(2) Section 11 of this act is added to chapter 41.45 RCW.

NEW SECTION. Sec. 14. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the Senate April 16, 2001.

Passed the House April 10, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 1 and 2, Engrossed Senate Bill No. 5143 entitled:

"AN ACT Relating to the Washington state patrol retirement system retirement and survivor benefits;"

Engrossed Senate Bill No. 5143 restructures the Washington State Patrol retirement plan. It increases cost-of-living adjustments, reduces contribution rates and makes several other worthwhile changes.

Sections 1 and 2 of the bill would have created a new "Plan II" that would have greatly reduced non-duty disability benefits for newly hired Washington State Patrol officers. While I understand the legislature's desire for uniformity among public pension systems, I think these changes require further consideration.

While similar benefit provisions exist for other state employees who are members of Plan II retirement systems, those employees are also eligible for disability coverage through the social security system. State Patrol officers are not covered by social security, and the new provisions proposed in this bill would have left them and their families vulnerable. All State Patrol officers should be assured of benefits that are at least equal to those of other state employees.

People who serve the state deserve fair and equitable protection against loss of their ability to work. This gap could be addressed in a number of ways, and I am willing to consider alternative approaches to meeting this need. I would be happy to work with the legislature in developing a revised plan.

In the meantime, however, drastically reducing the disability coverage for the newest members of the Washington State Patrol without due consideration of how it will be replaced is too great a risk.

For these reasons, I have vetoed sections 1 and 2 of Engrossed Senate Bill No. 5143.

With the exception of sections 1 and 2, Engrossed Senate Bill No. 5143 is approved."

CHAPTER 330

[Senate Bill 5197]

PRIVATE ACTIVITY BONDS

AN ACT Relating to private activity bonds; and amending RCW 39.86.100 and 39.86.120.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 39.86.100 and 1987 c 297 s 1 are each amended to read as follows:

The federal tax reform act of 1986 imposes an annual ceiling on the aggregate amount of federally tax-exempt private activity bonds, including bonds for housing, student loans, exempt facilities, small issue industrial, redevelopment, and certain public utility projects, that may be issued during any calendar year by or on behalf of states and their political subdivisions. ~~((The tax reform act of 1986 establishes a private activity bond ceiling for each state of seventy-five dollars per capita for 1987 and of fifty dollars per capita for 1988 and each year thereafter.))~~ In 2001, the ceiling will be increased to sixty-two dollars and fifty cents per capita and in 2002 the ceiling will be increased to seventy-five dollars per capita, to be indexed annually, for 2003 and every year thereafter. However, a study by the department of community development indicates that the dollar amount of the state ceiling is considerably less than the anticipated dollar amount for which issuers

would need an allocation from the state ceiling. The tax reform act of 1986 provides a formula for allocating the annual ceiling among various issuers of private activity bonds within a state, but permits each state to enact a different allocation method that is appropriate to that state's needs. The purpose of this chapter is to provide a flexible and efficient method of allocating the annual state ceiling in Washington in a manner that recognizes the need of the state and its political subdivisions to finance activities or projects that satisfy a substantial public purpose.

Sec. 2. RCW 39.86.120 and 1990 c 50 s 1 are each amended to read as follows:

(1) Except as provided in subsections (2) and (4) of this section, the initial allocation of the state ceiling shall be for each year as follows:

BOND USE CATEGORY	(1989 and THEREAFTER		1990 and THEREAFTER	
	(If the small issue category is permitted under federal law)		(If the small issue category is not permitted under federal law)	
Housing	5%	25%	25%	35%
Student Loans	10%	15%	15%	15%
Exempt Facility	40%	20%	20%	35%
Public Utility	10%	10%	10%	10%
Small Issue	30%	25%	25%	0%
Remainder and redevelopment	5%	5%	5%	5%

BOND USE CATEGORY	2001	2002 and THEREAFTER	ALTERNATIVE ALLOCATION
Housing	27.5%	30.0%	32.0%
Small Issue	24.5%	24.0%	25.0%
Exempt Facility	19.5%	19.0%	20.0%
Student Loans	14.5%	14.0%	15.0%
Public Utility	10.0%	10.0%	0.0%
Remainder and redevelopment	4.0%	3.0%	8.0%

(2) Initial allocations may be modified by the agency only to reflect an issuer's carryforward amount. Any reduction of the initial allocation shall be added to the remainder and be available for allocation or reallocation.

(3) The remainder shall be allocated by the agency among one or more issuers from any bond use category with regard to the criteria specified in RCW 39.86.130.

(4) Should any bond use category no longer be subject to the state ceiling due to federal or state provisions of law, the agency shall divide the amount of that initial allocation among the remaining categories as necessary or appropriate with regard to the criteria specified in RCW 39.86.130. Upon the earlier of: (a) Exhaustion of the seven hundred fifty million dollar authority under I.R.C. 1317(25), or any new federal legislation increasing the amount of authority, or creating additional authority; or (b) waiver of the authority described under (a) of this subsection due to alternative federal authority that does not use a state volume cap, then the alternative allocation schedule in subsection (1) of this section will be used.

(5)(a) Prior to September 1 of each calendar year, any available portion of an initial allocation may be allocated or reallocated only to an issuer within the same bond use category, except that the remainder category, or portions thereof, may be allocated at any time to any bond use category.

(b) Beginning September 1 of each calendar year, the agency may allocate or reallocate any available portion of the state ceiling to any bond use category with regard to the criteria specified in RCW 39.86.130.

Passed the Senate April 16, 2001.

Passed the House April 4, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 331

[Substitute Senate Bill 5274]

MOTOR VEHICLE LICENSING SUBAGENTS

AN ACT Relating to motor vehicle licensing subagents; and amending RCW 46.01.140.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.01.140 and 1996 c 315 s 1 are each amended to read as follows:

(1) The county auditor, if appointed by the director of licensing shall carry out the provisions of this title relating to the licensing of vehicles and the issuance of vehicle license number plates under the direction and supervision of the director and may with the approval of the director appoint assistants as special deputies and recommend subagents to accept applications and collect fees for vehicle licenses and transfers and to deliver vehicle license number plates.

(2) A county auditor appointed by the director may request that the director appoint subagencies within the county.

(a) Upon authorization of the director, the auditor shall ((advertise a request for proposals and use the process for soliciting vendors under RCW 39.04.190(2);

~~except that the provision requiring the contract to be awarded to the lowest responsible bidder shall not apply)) use an open competitive process including, but not limited to, a written business proposal and oral interview to determine the qualifications of all interested applicants.~~

~~(b) A subagent may recommend a successor who is either the subagent's sibling, spouse, or child, or a subagency employee, as long as the recommended successor participates in the open, competitive process used to select an applicant. In making successor recommendation and appointment determinations, the following provisions apply:~~

~~(i) If a subagency is held by a partnership or corporate entity, the nomination must be submitted on behalf of, and agreed to by, all partners or corporate officers.~~

~~(ii) No subagent may receive any direct or indirect compensation or remuneration from any party or entity in recognition of a successor nomination. A subagent may not receive any financial benefit from the transfer or termination of an appointment.~~

~~(iii) (a) and (b) of this subsection are intended to assist in the efficient transfer of appointments in order to minimize public inconvenience. They do not create a proprietary or property interest in the appointment.~~

~~(c) The auditor shall submit all proposals to the director, and shall recommend the appointment of one or more subagents who have applied through the ((request for proposal)) open competitive process. The auditor shall include in his or her recommendation to the director, not only the name of the successor who is a relative or employee, if applicable and if otherwise qualified, but also the name of one other applicant who is qualified and was chosen through the open competitive process. The director has final appointment authority.~~

(3)(a) A county auditor who is appointed as an agent by the department shall enter into a standard contract provided by the director, developed with the advice of the title and registration advisory committee.

(b) A subagent appointed under subsection (2) of this section shall enter into a standard contract with the county auditor, developed with the advice of the title and registration advisory committee. The director shall provide the standard contract to county auditors.

(c) The contracts provided for in (a) and (b) of this subsection must contain at a minimum provisions that:

(i) Describe the responsibilities, and where applicable, the liability, of each party relating to the service expectations and levels, equipment to be supplied by the department, and equipment maintenance;

(ii) Require the specific type of insurance or bonds so that the state is protected against any loss of collected motor vehicle tax revenues or loss of equipment;

(iii) Specify the amount of training that will be provided by the state, the county auditor, or subagents;

(iv) Describe allowable costs that may be charged to vehicle licensing activities as provided for in (d) of this subsection;

(v) Describe the causes and procedures for termination of the contract, which may include mediation and binding arbitration.

(d) The department shall develop procedures that will standardize and prescribe allowable costs that may be assigned to vehicle licensing and vessel registration and title activities performed by county auditors.

(e) The contracts may include any provision that the director deems necessary to ensure acceptable service and the full collection of vehicle and vessel tax revenues.

(f) The director may waive any provisions of the contract deemed necessary in order to ensure that readily accessible service is provided to the citizens of the state.

(4)(a) At any time any application is made to the director, the county auditor, or other agent pursuant to any law dealing with licenses, registration, or the right to operate any vehicle or vessel upon the public highways or waters of this state, excluding applicants already paying such fee under RCW 46.16.070 or 46.16.085, the applicant shall pay to the director, county auditor, or other agent a fee of three dollars for each application in addition to any other fees required by law.

(b) Counties that do not cover the expenses of vehicle licensing and vessel registration and title activities may submit to the department a request for cost-coverage moneys. The request must be submitted on a form developed by the department. The department shall develop procedures to verify whether a request is reasonable. Payment shall be made on requests found to be allowable from the licensing services account.

(c) Applicants for certificates of ownership, including applicants paying fees under RCW 46.16.070 or 46.16.085, shall pay to the director, county auditor, or other agent a fee of four dollars in addition to any other fees required by law.

(d) The fees under (a) and (c) of this subsection, if paid to the county auditor as agent of the director, or if paid to a subagent of the county auditor, shall be paid to the county treasurer in the same manner as other fees collected by the county auditor and credited to the county current expense fund. If the fee is paid to another agent of the director, the fee shall be used by the agent to defray his or her expenses in handling the application.

(e) Applicants required to pay the three-dollar fee established under (a) of this subsection, must pay an additional fifty cents, which must be collected and remitted to the state treasurer for deposit into the department of licensing services account of the motor vehicle fund. Revenue deposited into this account must be used for agent and subagent support, which is to include but not be limited to the replacement of department-owned equipment in the possession of agents and subagents.

(5) A subagent shall collect a service fee of (a) ~~(seven)~~ eight dollars and fifty cents for changes in a certificate of ownership, with or without registration

renewal, or verification of record and preparation of an affidavit of lost title other than at the time of the title application or transfer and (b) three dollars and fifty cents for registration renewal only, issuing a transit permit, or any other service under this section.

(6) If the fee is collected by the state patrol as agent for the director, the fee so collected shall be certified to the state treasurer and deposited to the credit of the state patrol highway account. If the fee is collected by the department of transportation as agent for the director, the fee shall be certified to the state treasurer and deposited to the credit of the motor vehicle fund. All such fees collected by the director or branches of his office shall be certified to the state treasurer and deposited to the credit of the highway safety fund.

(7) Any county revenues that exceed the cost of providing vehicle licensing and vessel registration and title activities in a county, calculated in accordance with the procedures in subsection (3)(d) of this section, shall be expended as determined by the county legislative authority during the process established by law for adoption of county budgets.

(8) The director may adopt rules to implement this section.

Passed the Senate April 18, 2001.

Passed the House April 5, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 332

[Engrossed Substitute Senate Bill 5413]
CHILD DEPENDENCY PROCEEDINGS

AN ACT Relating to provisions to improve accountability in child dependency cases; amending RCW 13.34.062, 13.34.065, 13.34.180, 13.34.138, and 13.34.110; and adding new sections to chapter 13.34 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 13.34 RCW to read as follows:

(1) Following shelter care and no later than twenty-five days prior to fact-finding, the department, upon the parent's request or counsel for the parent's request, shall facilitate a conference to develop and specify in a written service agreement the expectations of both the department and the parent regarding the care and placement of the child.

The department shall invite to the conference the parent, counsel for the parent, the foster parent or other out-of-home care provider, caseworker, guardian ad litem, counselor, or other relevant health care provider, and any other person connected to the development and well-being of the child.

The initial written service agreement expectations must correlate with the court's findings at the shelter care hearing. The written service agreement must set forth specific criteria that enables the court to measure the performance of both the

department and the parent, and must be updated throughout the dependency process to reflect changes in expectations. The service agreement must serve as the unifying document for all expectations established in the department's various case planning and case management documents and the findings and orders of the court during dependency proceedings.

The court shall review the written service agreement at each stage of the dependency proceedings and evaluate the performance of both the department and the parent for consistent, measurable progress in complying with the expectations identified in the agreement.

The case conference agreement must be agreed to and signed by the parties. The court shall not consider the content of the discussions at the case conference at the time of the fact-finding hearing for the purposes of establishing that the child is a dependent child, and the court shall not consider any documents or written materials presented at the case conference but not incorporated into the case conference agreement, unless the documents or written materials were prepared for purposes other than or as a result of the case conference and are otherwise admissible under the rules of evidence.

(2) At any other stage in a dependency proceeding, the department, upon the parent's request, shall facilitate a case conference.

Sec. 2. RCW 13.34.062 and 2000 c 122 s 5 are each amended to read as follows:

(1) The written notice of custody and rights required by RCW 13.34.060 shall be in substantially the following form:

"NOTICE

Your child has been placed in temporary custody under the supervision of Child Protective Services (or other person or agency). You have important legal rights and you must take steps to protect your interests.

1. A court hearing will be held before a judge within 72 hours of the time your child is taken into custody excluding Saturdays, Sundays, and holidays. You should call the court at (insert appropriate phone number here) for specific information about the date, time, and location of the court hearing.

2. You have the right to have a lawyer represent you at the hearing. Your right to representation continues after the shelter care hearing. You have the right to records the department intends to rely upon. A lawyer can look at the files in your case, talk to child protective services and other agencies, tell you about the law, help you understand your rights, and help you at hearings. If you cannot afford a lawyer, the court will appoint one to represent you. To get a court-appointed lawyer you must contact: (explain local procedure).

3. At the hearing, you have the right to speak on your own behalf, to introduce evidence, to examine witnesses, and to receive a decision based solely on the evidence presented to the judge.

4. If your hearing occurs before a court commissioner, you have the right to have the decision of the court commissioner reviewed by a superior court judge. To obtain that review, you must, within ten days after the entry of the decision of the court commissioner, file with the court a motion for revision of the decision, as provided in RCW 2.24.050.

You should be present at any shelter care hearing. If you do not come, the judge will not hear what you have to say.

You may call the Child Protective Services' caseworker for more information about your child. The caseworker's name and telephone number are: (insert name and telephone number).

5. You may request that the department facilitate a case conference to develop a written service agreement following the shelter care hearing. The service agreement may not conflict with the court's order of shelter care. You may request that a multidisciplinary team, family group conference, prognostic staffing, or case conference be convened for your child's case. You may participate in these processes with your counsel present."

Upon receipt of the written notice, the parent, guardian, or legal custodian shall acknowledge such notice by signing a receipt prepared by child protective services. If the parent, guardian, or legal custodian does not sign the receipt, the reason for lack of a signature shall be written on the receipt. The receipt shall be made a part of the court's file in the dependency action.

If after making reasonable efforts to provide notification, child protective services is unable to determine the whereabouts of the parents, guardian, or legal custodian, the notice shall be delivered or sent to the last known address of the parent, guardian, or legal custodian.

(2) If child protective services is not required to give notice under RCW 13.34.060(2) and subsection (1) of this section, the juvenile court counselor assigned to the matter shall make all reasonable efforts to advise the parents, guardian, or legal custodian of the time and place of any shelter care hearing, request that they be present, and inform them of their basic rights as provided in RCW 13.34.090.

(3) Reasonable efforts to advise and to give notice, as required in RCW 13.34.060(2) and subsections (1) and (2) of this section, shall include, at a minimum, investigation of the whereabouts of the parent, guardian, or legal custodian. If such reasonable efforts are not successful, or the parent, guardian, or legal custodian does not appear at the shelter care hearing, the petitioner shall testify at the hearing or state in a declaration:

(a) The efforts made to investigate the whereabouts of, and to advise, the parent, guardian, or legal custodian; and

(b) Whether actual advice of rights was made, to whom it was made, and how it was made, including the substance of any oral communication or copies of written materials used.

(4) The court shall hear evidence regarding notice given to, and efforts to notify, the parent, guardian, or legal custodian and shall examine the need for shelter care. The court shall hear evidence regarding the efforts made to place the child with a relative. The court shall make an express finding as to whether the notice required under RCW 13.34.060(2) and subsections (1) and (2) of this section was given to the parent, guardian, or legal custodian. All parties have the right to present testimony to the court regarding the need or lack of need for shelter care. Hearsay evidence before the court regarding the need or lack of need for shelter care must be supported by sworn testimony, affidavit, or declaration of the person offering such evidence.

(5) A shelter care order issued pursuant to RCW 13.34.065 may be amended at any time with notice and hearing thereon. The shelter care decision of placement shall be modified only upon a showing of change in circumstances. No child may be placed in shelter care for longer than thirty days without an order, signed by the judge, authorizing continued shelter care.

(6) Any parent, guardian, or legal custodian who for good cause is unable to attend the initial shelter care hearing may request that a subsequent shelter care hearing be scheduled. The request shall be made to the clerk of the court where the petition is filed prior to the initial shelter care hearing. Upon the request of the parent, the court shall schedule the hearing within seventy-two hours of the request, excluding Saturdays, Sundays, and holidays. The clerk shall notify all other parties of the hearing by any reasonable means.

Sec. 3. RCW 13.34.065 and 2000 c 122 s 7 are each amended to read as follows:

(1) The juvenile court probation counselor shall submit a recommendation to the court as to the further need for shelter care unless the petition has been filed by the department, in which case the recommendation shall be submitted by the department.

(2) The court shall release a child alleged to be dependent to the care, custody, and control of the child's parent, guardian, or legal custodian unless the court finds there is reasonable cause to believe that:

(a) After consideration of the specific services that have been provided, reasonable efforts have been made to prevent or eliminate the need for removal of the child from the child's home and to make it possible for the child to return home; and

(b)(i) The child has no parent, guardian, or legal custodian to provide supervision and care for such child; or

(ii) The release of such child would present a serious threat of substantial harm to such child; or

(iii) The parent, guardian, or custodian to whom the child could be released has been charged with violating RCW 9A.40.060 or 9A.40.070.

If the court does not release the child to his or her parent, guardian, or legal custodian, and the child was initially placed with a relative pursuant to RCW

13.34.060(1), the court shall order continued placement with a relative, unless there is reasonable cause to believe the health, safety, or welfare of the child would be jeopardized. If the child was not initially placed with a relative, and the court does not release the child to his or her parent, guardian, or legal custodian, the supervising agency shall make reasonable efforts to locate a relative pursuant to RCW 13.34.060(1). If a relative is not available, the court shall order continued shelter care or order placement with another suitable person, and the court shall set forth its reasons for the order. The court shall enter a finding as to whether RCW 13.34.060(2) and subsections (1) and (2) of this section have been complied with. If actual notice was not given to the parent, guardian, or legal custodian and the whereabouts of such person is known or can be ascertained, the court shall order the supervising agency or the department of social and health services to make reasonable efforts to advise the parent, guardian, or legal custodian of the status of the case, including the date and time of any subsequent hearings, and their rights under RCW 13.34.090.

(3) An order releasing the child on any conditions specified in this section may at any time be amended, with notice and hearing thereon, so as to return the child to shelter care for failure of the parties to conform to the conditions originally imposed.

The court shall consider whether nonconformance with any conditions resulted from circumstances beyond the control of the parent and give weight to that fact before ordering return of the child to shelter care.

(4) If a child is returned home from shelter care a second time in the case, or if the supervisor of the caseworker deems it necessary, the multidisciplinary team may be reconvened.

(5) If a child is returned home from shelter care a second time in the case a law enforcement officer must be present and file a report to the department.

Sec. 4. RCW 13.34.180 and 2000 c 122 s 25 are each amended to read as follows:

(1) A petition seeking termination of a parent and child relationship may be filed in juvenile court by any party to the dependency proceedings concerning that child. Such petition shall conform to the requirements of RCW 13.34.040, shall be served upon the parties as provided in RCW 13.34.070(8), and shall allege all of the following unless subsection (2) or (3) of this section applies:

(a) That the child has been found to be a dependent child;

(b) That the court has entered a dispositional order pursuant to RCW 13.34.130;

(c) That the child has been removed or will, at the time of the hearing, have been removed from the custody of the parent for a period of at least six months pursuant to a finding of dependency;

(d) That the services ordered under RCW 13.34.136 have been expressly and understandably offered or provided and all necessary services, reasonably

available, capable of correcting the parental deficiencies within the foreseeable future have been expressly and understandably offered or provided;

(e) That there is little likelihood that conditions will be remedied so that the child can be returned to the parent in the near future. A parent's failure to substantially improve parental deficiencies within twelve months following entry of the dispositional order shall give rise to a rebuttable presumption that there is little likelihood that conditions will be remedied so that the child can be returned to the parent in the near future. The presumption shall not arise unless the petitioner makes a showing that all necessary services reasonably capable of correcting the parental deficiencies within the foreseeable future have been clearly offered or provided. In determining whether the conditions will be remedied the court may consider, but is not limited to, the following factors:

(i) Use of intoxicating or controlled substances so as to render the parent incapable of providing proper care for the child for extended periods of time or for periods of time that present a risk of imminent harm to the child, and documented unwillingness of the parent to receive and complete treatment or documented multiple failed treatment attempts; or

(ii) Psychological incapacity or mental deficiency of the parent that is so severe and chronic as to render the parent incapable of providing proper care for the child for extended periods of time or for periods of time that present a risk of imminent harm to the child, and documented unwillingness of the parent to receive and complete treatment or documentation that there is no treatment that can render the parent capable of providing proper care for the child in the near future; and

(f) That continuation of the parent and child relationship clearly diminishes the child's prospects for early integration into a stable and permanent home.

(2) In lieu of the allegations in subsection (1) of this section, the petition may allege that the child was found under such circumstances that the whereabouts of the child's parent are unknown and no person has acknowledged paternity or maternity and requested custody of the child within two months after the child was found.

(3) In lieu of the allegations in subsection (1)(b) through (f) of this section, the petition may allege that the parent has been convicted of:

(a) Murder in the first degree, murder in the second degree, or homicide by abuse as defined in chapter 9A.32 RCW against another child of the parent;

(b) Manslaughter in the first degree or manslaughter in the second degree, as defined in chapter 9A.32 RCW against another child of the parent;

(c) Attempting, conspiring, or soliciting another to commit one or more of the crimes listed in (a) or (b) of this subsection; or

(d) Assault in the first or second degree, as defined in chapter 9A.36 RCW, against the surviving child or another child of the parent.

(4) Notice of rights shall be served upon the parent, guardian, or legal custodian with the petition and shall be in substantially the following form:

"NOTICE

A petition for termination of parental rights has been filed against you. You have important legal rights and you must take steps to protect your interests. This petition could result in permanent loss of your parental rights.

1. You have the right to a fact-finding hearing before a judge.

2. You have the right to have a lawyer represent you at the hearing. A lawyer can look at the files in your case, talk to the department of social and health services and other agencies, tell you about the law, help you understand your rights, and help you at hearings. If you cannot afford a lawyer, the court will appoint one to represent you. To get a court-appointed lawyer you must contact: (explain local procedure) .

3. At the hearing, you have the right to speak on your own behalf, to introduce evidence, to examine witnesses, and to receive a decision based solely on the evidence presented to the judge.

You should be present at this hearing.

You may call (insert agency) for more information about your child. The agency's name and telephone number are (insert name and telephone number) ."

Sec. 5. RCW 13.34.138 and 2000 c 122 s 19 are each amended to read as follows:

(1) Except for children whose cases are reviewed by a citizen review board under chapter 13.70 RCW, the status of all children found to be dependent shall be reviewed by the court at least every six months from the beginning date of the placement episode or the date dependency is established, whichever is first, at a hearing in which it shall be determined whether court supervision should continue. The initial review hearing shall be an in-court review and shall be set six months from the beginning date of the placement episode or no more than ninety days from the entry of the disposition order, whichever comes first. The initial review hearing may be a permanency planning hearing when necessary to meet the time frames set forth in RCW 13.34.145(3) or 13.34.134. The review shall include findings regarding the agency and parental completion of disposition plan requirements, and if necessary, revised permanency time limits. This review shall consider both the agency's and parent's efforts that demonstrate consistent measurable progress over time in meeting the disposition plan requirements. The requirements for the initial review hearing, including the in-court requirement, shall be accomplished within existing resources. The supervising agency shall provide a foster parent, preadoptive parent, or relative with notice of, and their right to an opportunity to be heard in, a review hearing pertaining to the child, but only if that person is currently providing care to that child at the time of the hearing. This section shall not be construed to grant party status to any person who has been provided an opportunity to be heard.

(a) A child shall not be returned home at the review hearing unless the court finds that a reason for removal as set forth in RCW 13.34.130 no longer exists. The parents, guardian, or legal custodian shall report to the court the efforts they have made to correct the conditions which led to removal. If a child is returned, casework supervision shall continue for a period of six months, at which time there shall be a hearing on the need for continued intervention.

(b) If the child is not returned home, the court shall establish in writing:

(i) Whether reasonable services have been provided to or offered to the parties to facilitate reunion, specifying the services provided or offered;

(ii) Whether the child has been placed in the least-restrictive setting appropriate to the child's needs, including whether consideration and preference has been given to placement with the child's relatives;

(iii) Whether there is a continuing need for placement and whether the placement is appropriate;

(iv) Whether there has been compliance with the case plan by the child, the child's parents, and the agency supervising the placement;

(v) Whether progress has been made toward correcting the problems that necessitated the child's placement in out-of-home care;

(vi) Whether the parents have visited the child and any reasons why visitation has not occurred or has been infrequent;

(vii) Whether additional services, including housing assistance, are needed to facilitate the return of the child to the child's parents; if so, the court shall order that reasonable services be offered specifying such services; and

(viii) The projected date by which the child will be returned home or other permanent plan of care will be implemented.

(c) The court at the review hearing may order that a petition seeking termination of the parent and child relationship be filed.

(2) The court's ability to order housing assistance under RCW 13.34.130 and this section is: (a) Limited to cases in which homelessness or the lack of adequate and safe housing is the primary reason for an out-of-home placement; and (b) subject to the availability of funds appropriated for this specific purpose.

NEW SECTION. Sec. 6. A new section is added to chapter 13.34 RCW to read as follows:

The department shall, within existing resources, provide to parents requesting a multidisciplinary team, family group conference, prognostic staffing, or case conference, information that describes these processes prior to the processes being undertaken.

Sec. 7. RCW 13.34.110 and 2000 c 122 s 11 are each amended to read as follows:

(1) The court shall hold a fact-finding hearing on the petition and, unless the court dismisses the petition, shall make written findings of fact, stating the reasons therefor. The rules of evidence shall apply at the fact-finding hearing and the parent, guardian, or legal custodian of the child shall have all of the rights provided

in RCW 13.34.090(1). The petitioner shall have the burden of establishing by a preponderance of the evidence that the child is dependent within the meaning of RCW 13.34.030.

(2)(a) The parent, guardian, or legal custodian of the child may waive his or her right to a fact-finding hearing by stipulating or agreeing to the entry of an order of dependency establishing that the child is dependent within the meaning of RCW 13.34.030. The parent, guardian, or legal custodian may also stipulate or agree to an order of disposition pursuant to RCW 13.34.130 at the same time. Any stipulated or agreed order of dependency or disposition must be signed by the parent, guardian, or legal custodian and his or her attorney, unless the parent, guardian, or legal custodian has waived his or her right to an attorney in open court, and by the petitioner and the attorney, guardian ad litem, or court-appointed special advocate for the child, if any. If the department of social and health services is not the petitioner and is required by the order to supervise the placement of the child or provide services to any party, the department must also agree to and sign the order.

(b) Entry of any stipulated or agreed order of dependency or disposition is subject to approval by the court. The court shall receive and review a social study before entering a stipulated or agreed order and shall consider whether the order is consistent with the allegations of the dependency petition and the problems that necessitated the child's placement in out-of-home care. No social file or social study may be considered by the court in connection with the fact-finding hearing or prior to factual determination, except as otherwise admissible under the rules of evidence.

(c) Prior to the entry of any stipulated or agreed order of dependency, the parent, guardian, or legal custodian of the child and his or her attorney must appear before the court and the court within available resources must inquire and establish on the record that:

(i) The parent, guardian, or legal custodian understands the terms of the order or orders he or she has signed, including his or her responsibility to participate in remedial services as provided in any disposition order;

(ii) The parent, guardian, or legal custodian understands that entry of the order starts a process that could result in the filing of a petition to terminate his or her relationship with the child within the time frames required by state and federal law if he or she fails to comply with the terms of the dependency or disposition orders or fails to substantially remedy the problems that necessitated the child's placement in out-of-home care;

(iii) The parent, guardian, or legal custodian understands that the entry of the stipulated or agreed order of dependency is an admission that the child is dependent within the meaning of RCW 13.34.030 and shall have the same legal effect as a finding by the court that the child is dependent by at least a preponderance of the evidence, and that the parent, guardian, or legal custodian shall not have the right in any subsequent proceeding for termination of parental

rights or dependency guardianship pursuant to this chapter or nonparental custody pursuant to chapter 26.10 RCW to challenge or dispute the fact that the child was found to be dependent; and

(iv) The parent, guardian, or legal custodian knowingly and willingly stipulated and agreed to and signed the order or orders, without duress, and without misrepresentation or fraud by any other party.

If a parent, guardian, or legal custodian fails to appear before the court after stipulating or agreeing to entry of an order of dependency, the court may enter the order upon a finding that the parent, guardian, or legal custodian had actual notice of the right to appear before the court and chose not to do so. The court may require other parties to the order, including the attorney for the parent, guardian, or legal custodian, to appear and advise the court of the parent's, guardian's, or legal custodian's notice of the right to appear and understanding of the factors specified in this subsection. A parent, guardian, or legal custodian may choose to waive his or her presence at the in-court hearing for entry of the stipulated or agreed order of dependency by submitting to the court through counsel a completed stipulated or agreed dependency fact-finding/disposition statement in a form determined by the Washington state supreme court pursuant to General Rule GR 9.

(3) Immediately after the entry of the findings of fact, the court shall hold a disposition hearing, unless there is good cause for continuing the matter for up to fourteen days. If good cause is shown, the case may be continued for longer than fourteen days. Notice of the time and place of the continued hearing may be given in open court. If notice in open court is not given to a party, that party shall be notified by certified mail of the time and place of any continued hearing. Unless there is reasonable cause to believe the health, safety, or welfare of the child would be jeopardized or efforts to reunite the parent and child would be hindered, the court shall direct the department to notify those adult persons who: ~~((1))~~ **(a)** Are related by blood or marriage to the child in the following degrees: Parent, grandparent, brother, sister, stepparent, stepbrother, stepsister, uncle, or aunt; ~~((2))~~ **(b)** are known to the department as having been in contact with the family or child within the past twelve months; and ~~((3))~~ **(c)** would be an appropriate placement for the child. Reasonable cause to dispense with notification to a parent under this section must be proved by clear, cogent, and convincing evidence.

The parties need not appear at the fact-finding or dispositional hearing if the parties, their attorneys, the guardian ad litem, and court-appointed special advocates, if any, are all in agreement. ~~((The court shall receive and review a social study before entering an order based on agreement. No social file or social study may be considered by the court in connection with the fact-finding hearing or prior to factual determination, except as otherwise admissible under the rules of evidence.))~~

NEW SECTION. Sec. 8. A new section is added to chapter 13.34 RCW to read as follows:

The department of social and health services shall promulgate rules that create good cause exceptions to the establishment and enforcement of child support from parents of children in out-of-home placement under chapter 13.34 or 13.32A RCW that do not violate federal funding requirements. The department shall present the rules and the department's plan for implementation of the rules to the appropriate committees of the legislature prior to the 2002 legislative session.

Passed the Senate April 19, 2001.

Passed the House April 18, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 333

[Substitute Senate Bill 5533]

SCHOOL PESTICIDE USE—PARENTAL NOTIFICATION

AN ACT Relating to posting and notification of pesticide applications at schools; amending RCW 17.21.020 and 17.21.410; adding a new section to chapter 17.21 RCW; adding a new section to chapter 28A.320 RCW; adding a new section to chapter 74.15 RCW; creating a new section; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 17.21.020 and 1994 c 283 s 1 are each amended to read as follows:

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

(1) "Agricultural commodity" means any plant or part of a plant, or animal, or animal product, produced by a person (including farmers, ranchers, vineyardists, plant propagators, Christmas tree growers, aquaculturists, floriculturists, orchardists, foresters, or other comparable persons) primarily for sale, consumption, propagation, or other use by people or animals.

(2) "Agricultural land" means land on which an agricultural commodity is produced or land that is in a government-recognized conservation reserve program. This definition does not apply to private gardens where agricultural commodities are produced for personal consumption.

(3) "Antimicrobial pesticide" means a pesticide that is used for the control of microbial pests, including but not limited to viruses, bacteria, algae, and protozoa, and is intended for use as a disinfectant or sanitizer.

(4) "Apparatus" means any type of ground, water, or aerial equipment, device, or contrivance using motorized, mechanical, or pressurized power and used to apply any pesticide on land and anything that may be growing, habitating, or stored on or in such land, but shall not include any pressurized handsized household device used to apply any pesticide, or any equipment, device, or contrivance of which the person who is applying the pesticide is the source of power or energy in making such pesticide application, or any other small equipment, device, or

contrivance that is transported in a piece of equipment licensed under this chapter as an apparatus.

~~((4))~~ (5) "Arthropod" means any invertebrate animal that belongs to the phylum arthropoda, which in addition to insects, includes allied classes whose members are wingless and usually have more than six legs; for example, spiders, mites, ticks, centipedes, and isopod crustaceans.

~~((5))~~ (6) "Certified applicator" means any individual who is licensed as a commercial pesticide applicator, commercial pesticide operator, public operator, private-commercial applicator, demonstration and research applicator, or certified private applicator, or any other individual who is certified by the director to use or supervise the use of any pesticide which is classified by the EPA or the director as a restricted use pesticide.

~~((6))~~ (7) "Commercial pesticide applicator" means any person who engages in the business of applying pesticides to the land of another.

~~((7))~~ (8) "Commercial pesticide operator" means any employee of a commercial pesticide applicator who uses or supervises the use of any pesticide and who is required to be licensed under provisions of this chapter.

~~((8))~~ (9) "Defoliant" means any substance or mixture of substances intended to cause the leaves or foliage to drop from a plant with or without causing abscission.

~~((9))~~ (10) "Department" means the Washington state department of agriculture.

~~((10))~~ (11) "Desiccant" means any substance or mixture of substances intended to artificially accelerate the drying of plant tissues.

~~((11))~~ (12) "Device" means any instrument or contrivance intended to trap, destroy, control, repel, or mitigate pests, but not including equipment used for the application of pesticides when sold separately from the pesticides.

~~((12))~~ (13) "Direct supervision" by certified private applicators shall mean that the designated restricted use pesticide shall be applied for purposes of producing any agricultural commodity on land owned or rented by the applicator or the applicator's employer, by a competent person acting under the instructions and control of a certified private applicator who is available if and when needed, even though such certified private applicator is not physically present at the time and place the pesticide is applied. The certified private applicator shall have direct management responsibility and familiarity of the pesticide, manner of application, pest, and land to which the pesticide is being applied. Direct supervision by all other certified applicators means direct on-the-job supervision and shall require that the certified applicator be physically present at the application site and that the person making the application be in voice and visual contact with the certified applicator at all times during the application. Direct supervision of an aerial apparatus means the pilot of the aircraft must be appropriately certified.

~~((13))~~ (14) "Director" means the director of the department or a duly authorized representative.

((14)) (15) "Engage in business" means any application of pesticides by any person upon lands or crops of another.

((15)) (16) "EPA" means the United States environmental protection agency.

((16)) (17) "EPA restricted use pesticide" means any pesticide classified for restricted use by the administrator, EPA.

((17)) (18) "FIFRA" means the federal insecticide, fungicide and rodenticide act as amended (61 Stat. 163, 7 U.S.C. Sec. 136 et seq.).

((18)) (19) "Fumigant" means any pesticide product or combination of products that is a vapor or gas or forms a vapor or gas on application and whose method of pesticidal action is through the gaseous state.

((19)) (20) "Fungi" means all nonchlorophyll-bearing thallophytes (all nonchlorophyll-bearing plants of lower order than mosses and liverworts); for example, rusts, smuts, mildews, molds, and yeasts, except those on or in a living person or other animals.

((20)) (21) "Fungicide" means any substance or mixture of substances intended to prevent, destroy, repel, or mitigate any fungi.

((21)) (22) "Herbicide" means any substance or mixture of substances intended to prevent, destroy, repel, or mitigate any weed or other higher plant.

((22)) (23) "Immediate service call" means a landscape application to satisfy an emergency customer request for service, or a treatment to control a pest to landscape plants.

((23)) (24) "Insect" means any small invertebrate animal, in any life stage, whose adult form is segmented and which generally belongs to the class insecta, comprised of six-legged, usually winged forms, as, for example, beetles, bugs, bees, and flies. The term insect shall also apply to other allied classes of arthropods whose members are wingless and usually have more than six legs, for example, spiders, mites, ticks, centipedes, and isopod crustaceans.

((24)) (25) "Insecticide" means any substance or mixture of substances intended to prevent, destroy, repel, or mitigate any insect.

((25)) (26) "Land" means all land and water areas, including airspace and all plants, animals, structures, buildings, devices, and contrivances, appurtenant to or situated on, fixed or mobile, including any used for transportation.

((26)) (27) "Landscape application" means an application ((by a certified applicator)) of any EPA registered pesticide to any exterior landscape ((plants found)) area around residential property, commercial properties such as apartments or shopping centers, parks, golf courses, schools including nursery schools and licensed day cares, or cemeteries or similar areas. This definition shall not apply to: (a) Applications made by certified private applicators; (b) mosquito abatement, gypsy moth eradication, or similar wide-area pest control programs sponsored by governmental entities; and (c) commercial pesticide applicators making structural applications.

((27)) (28) "Nematocide" means any substance or mixture of substances intended to prevent, destroy, repel, or mitigate nematodes.

~~((28))~~ (29) "Nematode" means any invertebrate animal of the phylum nemathelminthes and class nematoda, that is, unsegmented round worms with elongated, fusiform, or saclike bodies covered with cuticle, and inhabiting soil, water, plants or plant parts. Nematodes may also be called nemas or eelworms.

~~((29))~~ (30) "Person" means any individual, partnership, association, corporation, or organized group of persons whether or not incorporated.

~~((30))~~ (31) "Pest" means, but is not limited to, any insect, rodent, nematode, snail, slug, weed, and any form of plant or animal life or virus, except virus, bacteria, or other microorganisms on or in a living person or other animal or in or on processed food or beverages or pharmaceuticals, which is normally considered to be a pest, or which the director may declare to be a pest.

~~((31))~~ (32) "Pesticide" means, but is not limited to:

(a) Any substance or mixture of substances intended to prevent, destroy, control, repel, or mitigate any pest;

(b) Any substance or mixture of substances intended to be used as a plant regulator, defoliant or desiccant; and

(c) Any spray adjuvant, such as a wetting agent, spreading agent, deposit builder, adhesive, emulsifying agent, deflocculating agent, water modifier, or similar agent with or without toxic properties of its own intended to be used with any pesticide as an aid to the application or effect thereof, and sold in a package or container separate from that of the pesticide with which it is to be used.

~~((32))~~ (33) "Pesticide advisory board" means the pesticide advisory board as provided for in this chapter.

~~((33))~~ (34) "Plant regulator" means any substance or mixture of substances intended through physiological action, to accelerate or retard the rate of growth or maturation, or to otherwise alter the behavior of ornamental or crop plants or their produce, but shall not include substances insofar as they are intended to be used as plant nutrients, trace elements, nutritional chemicals, plant inoculants, or soil amendments.

~~((34))~~ (35) "Private applicator" means a certified applicator who uses or is in direct supervision of the use of any pesticide classified by the EPA or the director as a restricted use pesticide, for the purposes of producing any agricultural commodity and for any associated noncrop application on land owned or rented by the applicator or the applicator's employer or if applied without compensation other than trading of personal services between producers of agricultural commodities on the land of another person.

~~((35))~~ (36) "Private-commercial applicator" means a certified applicator who uses or supervises the use of any pesticide classified by the EPA or the director as a restricted use pesticide for purposes other than the production of any agricultural commodity on lands owned or rented by the applicator or the applicator's employer.

~~((36))~~ (37) "Residential property" includes property less than one acre in size zoned as residential by a city, town, or county, but does not include property zoned as agricultural or agricultural homesites.

~~((37))~~ (38) "Restricted use pesticide" means any pesticide or device which, when used as directed or in accordance with a widespread and commonly recognized practice, the director determines, subsequent to a hearing, requires additional restrictions for that use to prevent unreasonable adverse effects on the environment including people, lands, beneficial insects, animals, crops, and wildlife, other than pests.

~~((38))~~ (39) "Rodenticide" means any substance or mixture of substances intended to prevent, destroy, repel, or mitigate rodents, or any other vertebrate animal which the director may declare by rule to be a pest.

~~((39))~~ (40) "School facility" means any facility used for licensed day care center purposes or for the purposes of a public kindergarten or public elementary or secondary school. School facility includes the buildings or structures, playgrounds, landscape areas, athletic fields, school vehicles, or any other area of school property.

(41) "Snails or slugs" include all harmful mollusks.

~~((40))~~ (42) "Unreasonable adverse effects on the environment" means any unreasonable risk to people or the environment taking into account the economic, social, and environmental costs and benefits of the use of any pesticide, or as otherwise determined by the director.

~~((41))~~ (43) "Weed" means any plant which grows where it is not wanted.

Sec. 2. RCW 17.21.410 and 1994 c 283 s 33 are each amended to read as follows:

(1) A certified applicator making a landscape application to:

(a) Residential property shall at the time of the application place a marker at the usual point of entry to the property. If the application is made to an isolated spot that is not a substantial portion of the property, the applicator shall only be required to place a marker at the application site. If the application is in a fenced or otherwise isolated backyard, no marker is required.

(b) Commercial properties such as apartments or shopping centers shall at the time of application place a marker in a conspicuous location at or near each site being treated.

(c) A golf course shall at the time of the application place a marker at the first tee and tenth tee or post the information in a conspicuous location such as on a central message board.

(d) A school, nursery school, or licensed day care shall at the time of the application place a marker at each primary point of entry to the school grounds. A school employee making an application to a school facility shall comply with the posting requirements in section 3 of this act.

(e) A park, cemetery, rest stop, or similar property as may be defined in rule shall at the time of the application place a marker at each primary point of entry.

(2) An individual making a landscape application to a school grounds, nursery school, or licensed day care, and not otherwise covered by subsection (1) of this section, shall ~~((be required to comply with the posting requirements in subsection (1)(d) of this section))~~ at the time of the application place a marker at each primary point of entry to the school grounds.

(3) The marker shall be a minimum of four inches by five inches. It shall have the words: "THIS LANDSCAPE HAS BEEN TREATED BY" as the headline and "FOR MORE INFORMATION PLEASE CALL" as the footer. Larger size requirements for markers may be established in rule for specific applications. The company name and service mark ~~((with the applicator's telephone number where information can be obtained))~~ shall be included between the headline and the footer on ~~((the marker. The letters and service marks))~~ a marker placed by a commercial applicator. The applicator's telephone number where information can be obtained about the application shall be included in the footer of the marker. Markers shall be printed in colors contrasting to the background.

(4) The property owner or tenant shall remove the marker according to the schedule established in rule. A ~~((commercial))~~ certified applicator or individual who complies with this section is not liable for the removal of markers by unauthorized persons or removal outside the designated removal time.

(5) A certified applicator or individual who complies with this section cannot be held liable for personal property damage or bodily injury resulting from markers that are placed as required.

NEW SECTION. Sec. 3. A new section is added to chapter 17.21 RCW to read as follows:

(1) As used in this section, "school" means a licensed day care center or a public kindergarten or a public elementary or secondary school.

(2) A school shall provide written notification annually or upon enrollment to parents or guardians of students and employees describing the school's pest control policies and methods, including the posting and notification requirements of this section.

(3) A school shall establish a notification system that, as a minimum, notifies interested parents or guardians of students and employees at least forty-eight hours before a pesticide application to a school facility. The notification system shall include posting of the notification in a prominent place in the main office of the school.

(4) All notifications to parents, guardians, and employees shall include the heading "Notice: Pesticide Application" and, at a minimum, shall state:

- (a) The product name of the pesticide to be applied;
- (b) The intended date and time of application;
- (c) The location to which the pesticide is to be applied;
- (d) The pest to be controlled; and
- (e) The name and phone number of a contact person at the school.

(5) A school facility application must be made within forty-eight hours following the intended date and time stated in the notification or the notification process shall be repeated.

(6) A school shall, at the time of application, post notification signs for all pesticide applications made to school facilities unless the application is otherwise required to be posted by a certified applicator under the provisions of RCW 17.21.410(1)(d).

(a) Notification signs for applications made to school grounds by school employees shall be placed at the location of the application and at each primary point of entry to the school grounds. The signs shall be a minimum of four inches by five inches and shall include the words: "THIS LANDSCAPE HAS BEEN RECENTLY SPRAYED OR TREATED WITH PESTICIDES BY YOUR SCHOOL" as the headline and "FOR MORE INFORMATION PLEASE CALL" as the footer. The footer shall provide the name and telephone number of a contact person at the school.

(b) Notification signs for applications made to school facilities other than school grounds shall be posted at the location of the application. The signs shall be a minimum of eight and one-half by eleven inches and shall include the heading "Notice: Pesticide Application" and, at a minimum, shall state:

- (i) The product name of the pesticide applied;
- (ii) The date and time of application;
- (iii) The location to which the pesticide was applied;
- (iv) The pest to be controlled; and
- (v) The name and phone number of a contact person at the school.

(c) Notification signs shall be printed in colors contrasting to the background.

(d) Notification signs shall remain in place for at least twenty-four hours from the time the application is completed. In the event the pesticide label requires a restricted entry interval greater than twenty-four hours, the notification sign shall remain in place consistent with the restricted entry interval time as required by the label.

(7) A school facility application does not include the application of antimicrobial pesticides or the placement of insect or rodent baits that are not accessible to children.

(8) The prenotification requirements of this section do not apply if the school facility application is made when the school is not occupied by students for at least two consecutive days after the application.

(9) The prenotification requirements of this section do not apply to any emergency school facility application for control of any pest that poses an immediate human health or safety threat, such as an application to control stinging insects. When an emergency school facility application is made, notification consistent with the school's notification system shall occur as soon as possible after the application. The notification shall include information consistent with subsection (6)(b) of this section.

(10) A school shall make the records of all pesticide applications to school facilities required under this chapter, including an annual summary of the records, readily accessible to interested persons.

(11) A school is not liable for the removal of signs by unauthorized persons. A school that complies with this section may not be held liable for personal property damage or bodily injury resulting from signs that are placed as required.

NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.320 RCW to read as follows:

Schools as defined in section 3 of this act shall provide notice of pesticide use to parents or guardians of students and employees pursuant to chapter 17.21 RCW.

NEW SECTION. **Sec. 5.** A new section is added to chapter 74.15 RCW to read as follows:

Licensed day care centers shall provide notice of pesticide use to parents or guardians of students and employees pursuant to chapter 17.21 RCW.

NEW SECTION. **Sec. 6.** Except for section 7 of this act, this act takes effect July 1, 2002.

****NEW SECTION. Sec. 7. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2001, in the omnibus appropriations act, this act is null and void.***

****Sec. 7 was vetoed. See message at end of chapter.***

Passed the Senate April 21, 2001.

Passed the House April 20, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 7, Substitute Senate Bill No. 5533 entitled:

"AN ACT Relating to posting and notification of pesticide applications at schools;"

Substitute Senate Bill No. 5533 clarifies and improves the laws governing the application of pesticides near schools, and provides for advance notification of parents and school employees.

Section 7 of this bill would have stopped these important improvements from going into effect unless funding were provided in the 2001-2003 budget. While there may have been significant budget implications in the original draft of this bill, the affected entities concluded in their final fiscal analysis that there will be no material costs associated with compliance. Therefore, no funding is needed in the budget for implementation of this act. I have vetoed section 7 to ensure that this important measure for improving parental awareness of pesticide uses in schools and day care facilities will go into effect.

For these reasons, I have vetoed section 7 of Substitute Senate Bill No. 5533.

With the exception of section 7, Substitute Senate Bill No. 5533 is approved."

CHAPTER 334

[Engrossed Substitute Senate Bill 5583]

MENTAL HEALTH SYSTEM—PERFORMANCE AUDIT RECOMMENDATIONS

AN ACT Relating to the implementation of recommendations of the joint legislative audit and review committee's performance audit of the public mental health system; amending RCW 71.24.015 and 71.24.035; creating new sections; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature affirms its support for those recommendations of the performance audit of the public mental health system conducted by the joint legislative audit and review committee relating to: Improving the coordination of services for clients with multiple needs; improving the consistency of client, service, and fiscal data collected by the mental health division; replacing process-oriented accountability activities with a uniform statewide outcome measurement system; and using outcome information to identify and provide incentives for best practices in the provision of public mental health services.

NEW SECTION. Sec. 2. The legislature supports recommendations 1 through 10 and 12 through 14 of the mental health system performance audit conducted by the joint legislative audit and review committee. The legislature expects the department of social and health services to work diligently within available funds to implement these recommendations.

NEW SECTION. Sec. 3. In addition to any follow-up requirements prescribed by the joint legislative audit and review committee, the department of social and health services shall submit reports to the legislature on the status of the implementation of recommendations 1 through 10 and 12 through 14 of the performance audit report. The implementation status reports must be submitted to appropriate policy and fiscal committees of the legislature by June 1, 2001, and each year thereafter through 2004.

NEW SECTION. Sec. 4. The initial implementation status reports must discuss the status of implementing recommendations 1 through 8, which are due to be implemented by June 2001, and must also include a plan for implementing recommendations 9, 10, and 12 through 14, which are due to be implemented subsequent to June 2001. The initial implementation status report must also discuss what actions the department of social and health services has taken and will take in the future in response to recommendation 11 of the performance audit report.

NEW SECTION. Sec. 5. The Washington institute for public policy shall conduct a longitudinal study of long-term client outcomes to assess any changes in client status at two, five, and ten years. The measures tracked shall include client change as a result of services, employment and/or education, housing stability, criminal justice involvement, and level of services needed. The institute

shall report these long-term outcomes to the appropriate policy and fiscal committee of the legislature annually beginning not later than December 31, 2005.

Sec. 6. RCW 71.24.015 and 1999 c 214 s 7 are each amended to read as follows:

It is the intent of the legislature to establish a community mental health program which shall help people experiencing mental illness to retain a respected and productive position in the community. This will be accomplished through programs which provide for:

(1) Access to mental health services for adults of the state who are acutely mentally ill, chronically mentally ill, or seriously disturbed and children of the state who are acutely mentally ill, severely emotionally disturbed, or seriously disturbed, which services recognize the special needs of underserved populations, including minorities, children, the elderly, disabled, and low-income persons. Access to mental health services shall not be limited by a person's history of confinement in a state, federal, or local correctional facility. It is also the purpose of this chapter to promote the early identification of mentally ill children and to ensure that they receive the mental health care and treatment which is appropriate to their developmental level. This care should improve home, school, and community functioning, maintain children in a safe and nurturing home environment, and should enable treatment decisions to be made in response to clinical needs in accordance with sound professional judgment while also recognizing parents' rights to participate in treatment decisions for their children;

(2) Accountability of efficient and effective services through statewide standards for monitoring and reporting of client and system outcome information;

(3) Minimum service delivery standards;

(4) Priorities for the use of available resources for the care of the mentally ill;

(5) Coordination of services within the department, including those divisions within the department that provide services to children, between the department and the office of the superintendent of public instruction, and among state mental hospitals, county authorities, community mental health services, and other support services, which shall to the maximum extent feasible also include the families of the mentally ill, and other service providers; and

(6) Coordination of services aimed at reducing duplication in service delivery and promoting complementary services among all entities that provide mental health services to adults and children.

It is the policy of the state to encourage the provision of a full range of treatment and rehabilitation services in the state for mental disorders. The legislature intends to encourage the development of county-based and county-managed mental health services with adequate local flexibility to assure eligible people in need of care access to the least-restrictive treatment alternative appropriate to their needs, and the availability of treatment components to assure continuity of care. To this end, counties are encouraged to enter into joint operating agreements with other counties to form regional systems of care which

integrate planning, administration, and service delivery duties assigned to counties under chapters 71.05 and 71.24 RCW to consolidate administration, reduce administrative layering, and reduce administrative costs.

It is further the intent of the legislature to integrate the provision of services to provide continuity of care through all phases of treatment. To this end the legislature intends to promote active engagement with mentally ill persons and collaboration between families and service providers.

Sec. 7. RCW 71.24.035 and 1999 c 10 s 4 are each amended to read as follows:

(1) The department is designated as the state mental health authority.

(2) The secretary may provide for public, client, and licensed service provider participation in developing the state mental health program.

(3) The secretary shall provide for participation in developing the state mental health program for children and other underserved populations, by including representatives on any committee established to provide oversight to the state mental health program.

(4) The secretary shall be designated as the county authority if a county fails to meet state minimum standards or refuses to exercise responsibilities under RCW 71.24.045.

(5) The secretary shall:

(a) Develop a biennial state mental health program that incorporates county biennial needs assessments and county mental health service plans and state services for mentally ill adults and children. The secretary may also develop a six-year state mental health plan;

(b) Assure that any county community mental health program provides access to treatment for the county's residents in the following order of priority: (i) The acutely mentally ill; (ii) chronically mentally ill adults and severely emotionally disturbed children; and (iii) the seriously disturbed. Such programs shall provide:

(A) Outpatient services;

(B) Emergency care services for twenty-four hours per day;

(C) Day treatment for mentally ill persons which includes training in basic living and social skills, supported work, vocational rehabilitation, and day activities. Such services may include therapeutic treatment. In the case of a child, day treatment includes age-appropriate basic living and social skills, educational and prevocational services, day activities, and therapeutic treatment;

(D) Screening for patients being considered for admission to state mental health facilities to determine the appropriateness of admission;

(E) Employment services, which may include supported employment, transitional work, placement in competitive employment, and other work-related services, that result in mentally ill persons becoming engaged in meaningful and gainful full or part-time work. Other sources of funding such as the division of vocational rehabilitation may be utilized by the secretary to maximize federal funding and provide for integration of services;

- (F) Consultation and education services; and
- (G) Community support services;
- (c) Develop and adopt rules establishing state minimum standards for the delivery of mental health services pursuant to RCW 71.24.037 including, but not limited to:
 - (i) Licensed service providers;
 - (ii) Regional support networks; and
 - (iii) Residential and inpatient services, evaluation and treatment services and facilities under chapter 71.05 RCW, resource management services, and community support services;
 - (d) Assure that the special needs of minorities, the elderly, disabled, children, and low-income persons are met within the priorities established in this section;
 - (e) Establish a standard contract or contracts, consistent with state minimum standards, which shall be used by the counties;
 - (f) Establish, to the extent possible, a standardized auditing procedure which minimizes paperwork requirements of county authorities and licensed service providers;
 - (g) Develop and maintain an information system to be used by the state, counties, and regional support networks that includes a tracking method which allows the department and regional support networks to identify mental health clients' participation in any mental health service or public program on an immediate basis. The information system shall not include individual patient's case history files. Confidentiality of client information and records shall be maintained as provided in this chapter and in RCW 71.05.390, 71.05.400, 71.05.410, 71.05.420, 71.05.430, and 71.05.440;
 - (h) License service providers who meet state minimum standards;
 - (i) Certify regional support networks that meet state minimum standards;
 - (j) Periodically inspect certified regional support networks and licensed service providers at reasonable times and in a reasonable manner;
 - (k) Fix fees to be paid by evaluation and treatment centers to the secretary for the required inspections;
 - (l) Monitor and audit counties, regional support networks, and licensed service providers as needed to assure compliance with contractual agreements authorized by this chapter; and
 - (m) Adopt such rules as are necessary to implement the department's responsibilities under this chapter.
- (6) The secretary shall use available resources only for regional support networks.
- (7) Each certified regional support network and licensed service provider shall file with the secretary, on request, such data, statistics, schedules, and information as the secretary reasonably requires. A certified regional support network or licensed service provider which, without good cause, fails to furnish any data, statistics, schedules, or information as requested, or files fraudulent reports thereof, may have its certification or license revoked or suspended.

(8) The secretary may suspend, revoke, limit, or restrict a certification or license, or refuse to grant a certification or license for failure to conform to: (a) The law; (b) applicable rules and regulations; (c) applicable standards; or (d) state minimum standards.

(9) The superior court may restrain any regional support network or service provider from operating without certification or a license or any other violation of this section. The court may also review, pursuant to procedures contained in chapter 34.05 RCW, any denial, suspension, limitation, restriction, or revocation of certification or license, and grant other relief required to enforce the provisions of this chapter.

(10) Upon petition by the secretary, and after hearing held upon reasonable notice to the facility, the superior court may issue a warrant to an officer or employee of the secretary authorizing him or her to enter at reasonable times, and examine the records, books, and accounts of any regional support network or service provider refusing to consent to inspection or examination by the authority.

(11) Notwithstanding the existence or pursuit of any other remedy, the secretary may file an action for an injunction or other process against any person or governmental unit to restrain or prevent the establishment, conduct, or operation of a regional support network or service provider without certification or a license under this chapter.

(12) The standards for certification of evaluation and treatment facilities shall include standards relating to maintenance of good physical and mental health and other services to be afforded persons pursuant to this chapter and chapters 71.05 and 71.34 RCW, and shall otherwise assure the effectuation of the purposes of these chapters.

(13)(a) The department, in consultation with affected parties, shall establish a distribution formula that reflects county needs assessments based on the number of persons who are acutely mentally ill, chronically mentally ill, severely emotionally disturbed children, and seriously disturbed. The formula shall take into consideration the impact on counties of demographic factors in counties which result in concentrations of priority populations as set forth in subsection (5)(b) of this section. These factors shall include the population concentrations resulting from commitments under chapters 71.05 and 71.34 RCW to state psychiatric hospitals, as well as concentration in urban areas, at border crossings at state boundaries, and other significant demographic and workload factors.

(b) The formula shall also include a projection of the funding allocations that will result for each county, which specifies allocations according to priority populations, including the allocation for services to children and other underserved populations.

(c) After July 1, 2003, the department may allocate up to two percent of total funds to be distributed to the regional support networks for incentive payments to reward the achievement of superior outcomes, or significantly improved outcomes, as measured by a statewide performance measurement system consistent with the framework recommended in the joint legislative audit and review committee's

performance audit of the mental health system. The department shall annually report to the legislature on its criteria and allocation of the incentives provided under this subsection.

(14) The secretary shall assume all duties assigned to the nonparticipating counties under chapters 71.05, 71.34, and 71.24 RCW. Such responsibilities shall include those which would have been assigned to the nonparticipating counties under regional support networks.

The regional support networks, or the secretary's assumption of all responsibilities under chapters 71.05, 71.34, and 71.24 RCW, shall be included in all state and federal plans affecting the state mental health program including at least those required by this chapter, the medicaid program, and P.L. 99-660. Nothing in these plans shall be inconsistent with the intent and requirements of this chapter.

(15) The secretary shall:

(a) Disburse funds for the regional support networks within sixty days of approval of the biennial contract. The department must either approve or reject the biennial contract within sixty days of receipt.

(b) Enter into biennial contracts with regional support networks. The contracts shall be consistent with available resources. No contract shall be approved that does not include progress toward meeting the goals of this chapter by taking responsibility for: (i) Short-term commitments; (ii) residential care; and (iii) emergency response systems.

(c) Allocate one hundred percent of available resources to the regional support networks in accordance with subsection (13) of this section. Incentive payments authorized under subsection (13) of this section may be allocated separately from other available resources.

(d) Notify regional support networks of their allocation of available resources at least sixty days prior to the start of a new biennial contract period.

(e) Deny funding allocations to regional support networks based solely upon formal findings of noncompliance with the terms of the regional support network's contract with the department. Written notice and at least thirty days for corrective action must precede any such action. In such cases, regional support networks shall have full rights to appeal under chapter 34.05 RCW.

(f) Identify in its departmental biennial operating and capital budget requests the funds requested by regional support networks to implement their responsibilities under this chapter.

(16) The department, in cooperation with the state congressional delegation, shall actively seek waivers of federal requirements and such modifications of federal regulations as are necessary to allow federal medicaid reimbursement for services provided by free-standing evaluation and treatment facilities certified under chapter 71.05 RCW. The department shall periodically report its efforts to the health care and corrections committee of the senate and the human services committee of the house of representatives.

(17) The secretary shall establish a task force to examine the recruitment, training, and compensation of qualified mental health professionals in the community, which shall include the advantages and disadvantages of establishing a training academy, loan forgiveness program, or educational stipends offered in exchange for commitments of employment in mental health.

****NEW SECTION. Sec. 8. The legislature finds that an excessive amount of public funds are spent on administrative activities in the community mental health system. The department of social and health services shall develop a plan to reduce administrative expenses in the community mental health system, including the mental health division, to no more than ten percent of available funds. The plan shall identify and prioritize core administrative functions that must be continued to comply with federal or state statutes. The department shall submit their plan to the appropriate committees of the senate and house of representatives no later than December 15, 2001. The plan shall assume an implementation date of July 1, 2003.***

*Sec. 8 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 9. If specific funding for the purposes of section 5 of this act, referencing section 5 of this act by bill or chapter and section number, is not provided by June 30, 2001, in the omnibus appropriations act, section 5 of this act is null and void.

NEW SECTION. Sec. 10. 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.

Passed the Senate April 18, 2001.

Passed the House April 17, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 8, Engrossed Substitute Senate Bill No. 5583 entitled:

"AN ACT Relating to the implementation of recommendations of the joint legislative audit and review committee's performance audit of the public mental health system;"

Engrossed Substitute Senate Bill No. 5583 expresses the legislature's support for most of the recommendations of a recent performance audit of the community mental health system by the Joint Legislative Audit and Review Committee (JLARC). I too support those recommendations, relating to funding flexibility, performance measurement, performance incentives, and other improvements. I also support the bill's goal of minimizing the percentage of available funding that is spent on administrative activities at all levels of the mental health system.

However, section 8 of the bill would have required the Department of Social and Health Services (DSHS) to develop a plan to reduce administrative expenses in the system, including the Regional Support Networks and community-based treatment providers, to ten percent of available funds, and submit the plan to the legislature by December 15, 2001, with an assumed implementation date of July 1, 2003.

Minimizing administrative costs is an important goal for any program. But the Secretary of DSHS advises me that developing a realistic plan to achieve that goal for the mental health system as a whole will take longer than seven months, in part because it

requires the active participation of mental health providers and Regional Support Networks.

The legislature's intent to see a plan implemented in July 2003 allows enough time to develop such a plan properly. Therefore, I have vetoed section 8 and direct DSHS to work with appropriate stakeholders to complete the plan, and make recommendations to me and to the legislature by October 1, 2002.

For these reasons, I have vetoed section 8 of Engrossed Substitute Senate Bill No. 5583.

With the exception of section 8, Engrossed Substitute Senate Bill No. 5583 is approved."

CHAPTER 335

[Engrossed Substitute Senate Bill 5703]

MOBILE HOMES

AN ACT Relating to alterations of mobile homes; amending RCW 43.22.335, 43.22.420, 43.22.431, 43.22.432, 43.22.434, 43.22.440, 43.22.442, and 43.22.450; creating new sections; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.22.335 and 1999 c 22 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.22.340 through 43.22.420.

~~(1) ("Park trailer" means a park trailer as defined in the American National Standards Institute A119.5 standard for park trailers.~~

~~—(2) "Recreational vehicle" means a vehicular-type unit primarily designed for recreational camping or travel use that has its own motive power or is mounted on or towed by another vehicle. The units include travel trailers, fifth-wheel trailers, folding camping trailers, truck campers, and motor homes.~~

~~—(3)) "Conversion vendor units" means a motor vehicle or recreational vehicle that has been converted or built for the purpose of being used for commercial sales at temporary locations. The units must be less than eight feet six inches wide in the set-up position and the inside working area must be less than forty feet in length.~~

~~((4)) (2) "Manufactured home" means a single-family dwelling required to be built in accordance with regulations adopted under the national manufactured housing construction and safety standards act of 1974 (42 U.S.C. 5401 et seq.).~~

~~(3) "Medical unit" means a self-propelled unit used to provide medical examinations, treatments, and medical and dental services or procedures, not including emergency response vehicles.~~

~~(4) "Mobile home" means a factory-built dwelling built before June 15, 1976, to standards other than the national manufactured housing construction and safety standards act of 1974 (42 U.S.C. 5401 et seq.), and acceptable under applicable state codes in effect at the time of construction or introduction of the home into this state.~~

~~(5) "Park trailer" means a park trailer as defined in the American national standards institute A119.5 standard for park trailers.~~

(6) "Recreational vehicle" means a vehicular-type unit primarily designed for recreational camping or travel use that has its own motive power or is mounted on or towed by another vehicle. The units include travel trailers, fifth-wheel trailers, folding camping trailers, truck campers, and motor homes.

Sec. 2. RCW 43.22.420 and 1999 c 22 s 9 are each amended to read as follows:

There is hereby created a factory assembled structures advisory board consisting of nine members to be appointed by the director of labor and industries. It shall be the purpose and function of the board to advise the director on all matters pertaining to the enforcement of this chapter including but not limited to standards of body and frame design, construction and plumbing, heating and electrical installations, minimum inspection procedures, the adoption of rules pertaining to the manufacture of factory assembled structures, ~~((mobile))~~ manufactured homes, commercial coaches, conversion vending units, medical units, recreational vehicles, and park trailers. The advisory board shall periodically review the rules adopted under RCW 43.22.450 through 43.22.490 and shall recommend changes of such rules to the department if it deems changes advisable.

The members of the advisory board shall be representative of consumers, the regulated industries, and allied professionals. The term of each member shall be four years. However, the director may appoint the initial members of the advisory board to staggered terms not exceeding four years.

The chief inspector or any person acting as chief inspector for the factory assembled structures, manufactured or mobile home, commercial coach, conversion vending units, medical units, recreational vehicle, and park trailer section shall serve as secretary of the board during his tenure as chief. Meetings of the board shall be called at the discretion of the director of labor and industries, but at least quarterly. Each member of the board shall be paid travel expenses in accordance with RCW 43.03.050 and 43.03.060 which shall be paid out of the appropriation to the department of labor and industries, upon vouchers approved by the director of labor and industries or his or her designee.

Sec. 3. RCW 43.22.431 and 1977 ex.s. c 21 s 1 are each amended to read as follows:

The director of the department of labor and industries may enforce ~~((mobile))~~ manufactured home safety and construction standards adopted by the secretary of housing and urban development under the national ((Mobile)) manufactured home construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426). Furthermore, the director may make agreements with the United States government and private inspection organizations to implement the development and enforcement of applicable provisions of this chapter and the national ((Mobile)) manufactured home construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426).

Sec. 4. RCW 43.22.432 and 1977 ex.s. c 21 s 2 are each amended to read as follows:

(1) The department may adopt all standards and regulations adopted by the secretary under the national ~~((Mobile))~~ manufactured home construction and safety standards act of 1974 (800 Stat. 700; 42 U.S.C. Secs. 5401-5426) for ~~((mobile))~~ manufactured home construction and safety standards. If any deletions or amendments to the federal standards or regulations are thereafter made and notice thereof is given to the department, the standards or regulations shall be considered automatically adopted by the state under this chapter after the expiration of thirty days from publication in the federal register of a final order describing the deletions or amendments unless within that thirty day period the department objects to the deletion or amendment. In case of objection, the department shall proceed under the rule making procedure of chapter 34.05 RCW.

(2) The department shall adopt rules with respect to manufactured homes installed in accordance with the standards adopted under RCW 43.22.440 that:

(a) Specify exemptions from a requirement for a permit to alter a manufactured home;

(b) Authorize the granting of variances from the rules adopted under this section for alterations that use materials, designs, or methods of construction different from those required under the rules adopted under this section; and

(c) Require the seller of a manufactured home to deliver to the buyer prior to the sale a completed property transfer disclosure statement that includes all the criteria specified in RCW 64.06.020 and a copy of a variance, if any, granted under the rules adopted under this section. Nothing in this chapter shall be construed to prohibit the sale of a manufactured home that was altered unless the alteration makes the home unsafe so that its use may constitute a hazard to life, safety, or health.

Sec. 5. RCW 43.22.434 and 1999 c 22 s 10 are each amended to read as follows:

(1) The director or the director's authorized representative may conduct such inspections, investigations, and audits as may be necessary to adopt or enforce manufactured and mobile home, commercial coach, conversion vending units, medical units, recreational vehicle, park trailer, factory built housing, and factory built commercial structure rules adopted under the authority of this chapter or to carry out the director's duties under this chapter.

(2) For purposes of enforcement of this chapter, persons duly designated by the director upon presenting appropriate credentials to the owner, operator, or agent in charge may:

(a) At reasonable times and without advance notice enter any factory, warehouse, or establishment in which manufactured and mobile homes, commercial coaches, conversion vending units, medical units, recreational vehicles, park trailers, factory built housing, and factory built commercial structures are manufactured, stored, or held for sale;

(b) At reasonable times, within reasonable limits, and in a reasonable manner inspect any factory, warehouse, or establishment as required to comply with the standards adopted by the secretary of housing and urban development under the

national ((mobile)) manufactured home construction and safety standards act of 1974. Each inspection shall be commenced and completed with reasonable promptness; and

(c) As requested by an owner of a conversion vending unit or medical unit, inspect an alteration.

(3) The department shall set a schedule of fees by rule which will cover the costs incurred by the department in the administration of RCW 43.22.335 through 43.22.490.

Sec. 6. RCW 43.22.440 and 1988 c 239 s 5 are each amended to read as follows:

(1) The legislature finds that inspections of manufactured and mobile home installation are not done on a consistent basis. Manufactured and mobile homes provide housing for many people in the state, and improperly installed manufactured or mobile homes are a serious health and safety risk. Where possible and practical, manufactured and mobile homes should be treated the same as any housing inhabited or to be inhabited by persons in this state, including housing built according to the state building code.

(2) In consultation with the factory assembled structures advisory board for ((mobile)) manufactured homes, the director of labor and industries shall by rule establish uniform standards for the performance and workmanship of installation service and warranty service by persons or entities engaged in performing the services within this state for all manufactured and mobile homes, as defined in RCW 46.04.302. The standards shall conform, where applicable, with statutes, rules, and recommendations established under the ((federal)) national ((mobile)) manufactured home construction and safety standards act of 1974 (42 U.S.C. Sec. 5401 et seq.). These rules regarding the installation of manufactured and mobile homes shall be enforced and fees charged by the counties and cities in the same manner the state building code is enforced under RCW 19.27.050.

(3) In addition to and in conjunction with the remedies provided in this chapter, failure to remedy any breach of the standards and rules so established, upon adequate notice and within a reasonable time, is a violation of the consumer protection act, chapter 19.86 RCW and subject to the remedies provided in that chapter.

Sec. 7. RCW 43.22.442 and 1980 c 153 s 2 are each amended to read as follows:

A manufacturer of ((mobile)) manufactured homes who designates a representative within this state to provide consumers with warranty service for ((mobile)) manufactured homes on behalf of the manufacturer shall make reasonable and timely compensation to the representative for performance of the warranty service.

Sec. 8. RCW 43.22.450 and 1973 1st ex.s. c 22 s 1 are each amended to read as follows:

Whenever used in RCW 43.22.450 through 43.22.490:

(1) "Department" means the Washington state department of labor and industries;

(2) "Approved" means approved by the department;

(3) "Factory built housing" means any structure designed primarily for human occupancy other than a manufactured or mobile home the structure or any room of which is either entirely or substantially prefabricated or assembled at a place other than a building site;

(4) "Install" means the assembly of factory built housing or factory built commercial structures at a building site;

(5) "Building site" means any tract, parcel or subdivision of land upon which factory built housing or a factory built commercial structure is installed or is to be installed;

(6) "Local enforcement agency" means any agency of the governing body of any city or county which enforces laws or ordinances governing the construction of buildings;

(7) "Commercial structure" means a structure designed or used for human habitation, or human occupancy for industrial, educational, assembly, professional or commercial purposes.

NEW SECTION. Sec. 9. (1) A joint legislative task force is created to review chapter 43.22 RCW as it pertains to the regulation of manufactured and mobile homes. The task force membership shall consist of:

(a) One member from each caucus of the senate labor, commerce and financial institutions committee, appointed by the president of the senate;

(b) One member from each caucus of the house commerce and labor committee, appointed by the co-speakers of the house of representatives;

(c) Representatives of the mobile/manufactured homeowners, mobile/manufactured home mortgage lenders, mobile/manufactured home manufacturers and retailers, realtors, business and labor representatives of the electrical and plumbing trades, and other state or local government agencies as appropriate, appointed jointly by the president of the senate and the co-speakers of the house of representatives; and

(d) A representative of the department of labor and industries. The department shall cooperate with the task force and provide such technical expertise as the task force cochairs may reasonably require.

(2) The task force shall choose its cochairs from among its membership.

(3) The study shall review at least the following issues:

(a) The fact that many mobile/manufactured homeowners have performed alterations or repairs to their homes without obtaining the required permits with the result that potential buyers may be unable to obtain mortgage financing from the usual sources;

(b) The costs associated with obtaining required permits, particularly on those occasions when an engineering analysis is required;

(c) The possibility of reducing the number and type of repairs and alterations that require a permit, consistent with public health and safety considerations;

(d) The appropriateness of the current legal sanction for not obtaining a permit when required;

(e) The feasibility and desirability of allowing for inspections of mobile/manufactured home alterations by local building officials; and

(f) Any methods, procedures, or changes in the law that can assist mobile/manufactured homeowners in the proper and economical maintenance and improvement of their homes, and the protection of their equity.

(4) The task force shall use legislative facilities and staff from senate committee services and the office of program research. Each nonlegislative member of the task force is eligible to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060. All expenses of the task force, including travel, shall be paid jointly by the senate and the house of representatives.

(5) The task force shall report its findings and recommendations to the legislature by January 1, 2002.

(6) This section expires April 1, 2002.

NEW SECTION. Sec. 10. This act applies to manufactured homes without regard to the date such homes may have been altered.

Passed the Senate April 18, 2001.

Passed the House April 9, 2001.

Approved by the Governor May 15, 2001.

Filed in Office of Secretary of State May 15, 2001.

CHAPTER 336

[Substitute Senate Bill 5940]

CAREER AND TECHNICAL EDUCATION

AN ACT Relating to career and technical education; adding a new section to chapter 28C.04 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

***NEW SECTION.** Sec. 1. (1) *The legislature finds that Washington requires strong career and technical education programs to meet the academic and career preparation needs of secondary students. The legislature further finds that career and technical education programs, including the vocational skills centers, provide:*

(a) *Support for achievement of the certificate of mastery, particularly by students requiring applied learning opportunities for academic success;*

(b) *Support for special needs students to fulfill the occupational preparation required for self-sufficiency in adult life;*

(c) *Increases in the number of students who complete high school; and*

(d) *Assistance with students' transitions from secondary schools to postsecondary education, training, and employment.*

(2) *In order to provide students with a variety of learning experiences that will assist them in achieving the higher standards of education reform, school*

districts currently offering career and technical education programs shall continue to provide career and technical education programs and school districts not offering career and technical education programs are encouraged to begin providing such programs.

*Sec. 1 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 2. A new section is added to chapter 28C.04 RCW to read as follows:

(1) To ensure high quality career and technical programs, the office of the superintendent of public instruction shall review and approve the plans of local districts for the delivery of career and technical education. Standards for career and technical programs shall be established by the office of the superintendent of public instruction. These standards should:

(a) Demonstrate how career and technical education programs will ensure academic rigor; align with the state's education reform requirements; help address the skills gap of Washington's economy; and maintain strong relationships with local career and technical education advisory councils for the design and delivery of career and technical education; and

(b) Demonstrate a strategy to align the five-year planning requirement under the federal Carl Perkins act with the state and district vocational program planning requirements that include:

(i) An assessment of equipment and technology needs to support the skills training of technical students;

(ii) An assessment of industry internships required for teachers to ensure the ability to prepare students for industry-defined standards or certifications, or both;

(iii) An assessment of the costs of supporting job shadows, mentors, community service and industry internships, and other activities for student learning in the community; and

(iv) A description of the leadership activities to be provided for technical education students.

(2) To ensure high quality career education programs and services in secondary schools, the office of the superintendent of public instruction may provide technical assistance to local districts and develop state guidelines for the delivery of career guidance in secondary schools.

(3) To ensure leadership development, the staff of the office of the superintendent of public instruction may serve as the state advisors to Washington state FFA, Washington future business leaders of America, Washington DECA, Washington SkillsUSA-VICA, Washington family, career and community leaders, and Washington technology students association, and any additional career or technical student organizations that are formed. Working with the directors or executive secretaries of these organizations, the office of the superintendent of public instruction may develop tools for the coordination of leadership activities with the curriculum of technical education programs.

(4) As used in this section, "career and technical education" means a planned program of courses and learning experiences that begins with exploration of career

options; supports basic academic and life skills; and enables achievement of high academic standards, leadership, options for high skill, high wage employment preparation, and advanced and continuing education.

Passed the Senate April 17, 2001.

Passed the House April 5, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 1, Substitute Senate Bill No. 5940 entitled:

"AN ACT Relating to career and technical education;"

Substitute Senate Bill No. 5940 aligns the K-12 career and technical education programs with education reform and workforce planning efforts. These changes will integrate K-12 and higher education technical programs to better address skills gaps in our state's workforce.

Section 1 of the bill would have established different expectations for school districts based on their current program offering. School districts currently offering career and technical education programs would be required to continue those programs, while districts that are not currently offering those programs are only encouraged to establish them. I urge all school districts to establish career and technical education programs, but cannot support a provision that requires some, but not all, school districts to do so. In addition, the requirement to provide career and technical education programs infringes on local school board decision-making.

For these reasons, I have vetoed section 1 of Substitute Senate Bill No. 5940.

With the exception of section 1, Substitute Senate Bill No. 5940 is approved."

CHAPTER 337

[Engrossed Substitute House Bill 1286]
SALMON—VIABLE EGGS

AN ACT Relating to the use of viable salmon eggs; amending RCW 77.95.210, 77.95.270, 77.100.050, and 77.100.060; adding a new section to chapter 77.04 RCW; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 77.95.210 and 2000 c 107 s 11 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the department may supply, at a reasonable charge, surplus salmon eggs to a person for use in the cultivation of salmon. The department shall not intentionally create a surplus of salmon to provide eggs for sale. The department shall only sell salmon eggs from stocks that are not suitable for salmon population rehabilitation or enhancement in state waters in Washington after the salmon harvest on surplus salmon has been first maximized by both commercial and recreational fishers.

(2) The department shall not destroy hatchery origin salmon for the purposes of destroying viable eggs that would otherwise be useful for propagation or salmon recovery purposes, as determined by the department and Indian tribes with treaty

fishing rights in a collaborative manner, for replenishing fish runs. Eggs deemed surplus by the state must be provided, in the following order of priority, to:

(a) Voluntary cooperative salmon culture programs under the supervision of the department under chapter 77.100 RCW;

(b) Regional fisheries enhancement group salmon culture programs under the supervision of the department under this chapter;

(c) Salmon culture programs requested by lead entities and approved by the salmon funding recovery board under chapter 77.85 RCW;

(d) Hatcheries of federally approved tribes in Washington to whom eggs are moved, not sold, under the interlocal cooperation act, chapter 39.34 RCW; and

(e) Governmental hatcheries in Washington, Oregon, and Idaho,

The order of priority established in this subsection for distributing surplus eggs does not apply when there is a shortfall in the supply of eggs.

(3) All sales, provisions, distributions, or transfers shall be consistent with the department's egg transfer and aquaculture disease control regulations as now existing or hereafter amended. Prior to department determination that eggs of a salmon stock are surplus and available for sale, the department shall assess the productivity of each watershed that is suitable for receiving eggs.

Sec. 2. RCW 77.95.270 and 1989 c 336 s 6 are each amended to read as follows:

Except as provided in RCW 77.95.210, the department may make available to private contractors salmon eggs in excess of department hatchery needs for the purpose of contract rearing to release the smolts into public waters. However, providing salmon eggs as specified in RCW 77.95.210(2) has the highest priority. The priority of providing eggs surplus after meeting the requirements of RCW 77.95.210(2) to contract rearing ((shall be)) is a higher priority than providing eggs to aquaculture purposes ((which)) that are not destined for release into Washington public waters.

Sec. 3. RCW 77.100.050 and 1987 c 505 s 73 are each amended to read as follows:

(1) The department shall:

(a) Encourage and support the establishment of cooperative agreements for the development and operation of cooperative food fish, shellfish, game fish, game bird, game animal, and nongame wildlife projects, and projects which provide an opportunity for volunteer groups to become involved in resource and habitat-oriented activities. All cooperative projects shall be fairly considered in the approval of cooperative agreements;

(b) Identify regions and species or activities that would be particularly suitable for cooperative projects providing benefits compatible with department goals;

(c) Determine the availability of rearing space at operating facilities or of net pens, egg boxes, portable rearing containers, incubators, and any other rearing facilities for use in cooperative projects, and allocate them to volunteer groups as fairly as possible;

(d) Make viable eggs available for replenishing fish runs, and salmon carcasses for nutrient enhancement of streams. If a regional fisheries enhancement group, lead entity, volunteer cooperative group, federally approved tribe in Washington, or a governmental hatchery in Washington, Oregon, or Idaho requests the department for viable eggs, the department must include the request within the brood stock document prepared for review by the regional offices. The eggs shall be distributed in accordance with the priority established in RCW 77.95.210 if they are available. A request for viable eggs may only be denied if the eggs would not be useful for propagation or salmon recovery purposes, as determined under RCW 77.95.210.

(e) Exempt volunteer groups from payment of fees to the department for activities related to the project;

~~((f))~~ (f) Publicize the cooperative program;

~~((f))~~ (g) Not substitute a new cooperative project for any part of the department's program unless mutually agreeable to the department and volunteer group;

~~((g))~~ (h) Not approve agreements that are incompatible with legally existing land, water, or property rights.

(2) The department may, when requested, provide to volunteer groups its available professional expertise and assist the volunteer group to evaluate its project. The department must conduct annual workshops in each administrative region of the department that has fish stocks listed as threatened or endangered under the federal endangered species act, 16 U.S.C. Sec. 1531 et seq., in order to assist volunteer groups with egg rearing, share information on successful salmon recovery projects accomplished by volunteers within the state, and provide basic training on monitoring efforts that can be accomplished by volunteers in order to help determine if their efforts are successful.

Sec. 4. RCW 77.100.060 and 2000 c 107 s 112 are each amended to read as follows:

The commission shall establish by rule:

(1) The procedure for entering a cooperative agreement and the application forms for a permit to release fish or wildlife required by RCW 77.12.457. The procedure shall indicate the information required from the volunteer group as well as the process of review by the department. The process of review shall include the means to coordinate with other agencies and Indian tribes when appropriate and to coordinate the review of any necessary hydraulic permit approval applications.

(2) The procedure for providing within forty-five days of receipt of a proposal a written response to the volunteer group indicating the date by which an acceptance or rejection of the proposal can be expected, the reason why the date was selected, and a written summary of the process of review. The response should also include any suggested modifications to the proposal which would increase its likelihood of approval and the date by which such modified proposal could be expected to be accepted. If the proposal is rejected, the department must

provide in writing the reasons for rejection. The volunteer group may request the director or the director's designee to review information provided in the response.

(3) The priority of the uses to which eggs, seed, juveniles, or brood stock are put. Use by cooperative projects shall be second in priority only to the needs of programs of the department or of other public agencies within the territorial boundaries of the state. Sales of eggs, seed, juveniles, or brood stock have a lower priority than use for cooperative projects. The rules must identify and implement appropriate protocols for brood stock handling, including the outplanting of adult fish, spawning, incubation, rearing, and release and establish a prioritized schedule for implementation of this act, and shall include directives for allowing more hatchery salmon to spawn naturally in areas where progeny of hatchery fish have spawned, including the outplanting of adult fish, in order to increase the number of viable salmon eggs and restore healthy numbers of fish within the state.

(4) The procedure for the director to notify a volunteer group that the agreement for the project is being revoked for cause and the procedure for revocation. Revocation shall be documented in writing to the volunteer group. Cause for revocation may include: (a) The unavailability of adequate biological or financial resources; (b) the development of unacceptable biological or resource management conflicts; or (c) a violation of agreement provisions. Notice of cause to revoke for a violation of agreement provisions may specify a reasonable period of time within which the volunteer group must comply with any violated provisions of the agreement.

(5) An appropriate method of distributing among volunteer groups fish, bird, or animal food or other supplies available for the program.

NEW SECTION. Sec. 5. A new section is added to chapter 77.04 RCW to read as follows:

(1) The department shall prepare an annual surplus salmon report. This report shall include the disposition of adult salmonids that have returned to salmonid hatchery facilities operated under the jurisdiction of the state that:

- (a) Have not been harvested; and
- (b) Were not allowed to escape for natural spawning.

(2) The report shall include, by species, the number and estimated weight of surplus salmon and steelhead and a description of the disposition of the adult carcasses including, but not limited to, the following categories:

- (a) Disposed in landfills;
- (b) Transferred to another government agency for reproductive purposes;
- (c) Sold to contract buyers in the round;
- (d) Sold to contract buyers after spawning;
- (e) Transferred to Native American tribes;
- (f) Donated to food banks; and
- (g) Used in stream nutrient enrichment programs.

(3) The report shall also include, by species, information on the number of requests for viable salmon eggs, the number of these requests that were granted and the number that were denied, the geographic areas for which these requests were

granted or denied, and a brief explanation given for each denial of a request for viable salmon eggs.

(4) The report shall be included in the biennial state of the salmon report required by RCW 77.85.020 and other similar state reports on salmon.

(5) The report shall include an assessment of the infrastructure needs and facility modifications necessary to implement this act.

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

***Sec. 6 was vetoed. See message at end of chapter.**

Passed the House April 19, 2001.

Passed the Senate April 18, 2001.

Approved by the Governor May 15, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 15, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 6, Engrossed Substitute House Bill No. 1286 entitled:

"AN ACT Relating to the use of viable salmon eggs;"

Engrossed Substitute House Bill No. 1286 provides direction and priorities to the Department of Fish and Wildlife (WDFW) and the Fish and Wildlife Commission regarding the use of surplus salmon eggs.

Although I have approved the majority of this bill, I do have concerns about how it may be implemented.

Section 4 of the bill directs the Commission to issue rules allowing more hatchery salmon to spawn naturally in the state's watersheds. In view of the significant concerns and uncertainties surrounding the interaction between hatchery and wild salmon, the Commission should take into account the recommendations of the federal agencies with jurisdiction over this issue, namely the National Marine Fisheries Service and the U.S. Fish and Wildlife Service.

Nothing in this legislation infringes on WDFW's co-management responsibilities with the tribes. I anticipate that any rules will comply with WDFW's Hatchery Genetic Management Plans, satisfying the requirements of the Endangered Species Act and the goal of wild fish recovery. I also expect the state and tribes to continue to improve hatchery practices and to develop recommendations consistent with the findings of the Hatchery Scientific Review Group.

Although hatcheries currently, and in the future, will play an important role in the recovery of wild salmon populations, they are not a substitute for the protection and restoration of habitat and reform of our state water code. Wild salmon will not recover without our addressing habitat, hatcheries, harvest and hydropower.

I also note that there is a technical conflict in the priorities for the distribution of surplus eggs in section 1 of the bill and existing law (RCW 77.100.060(3)). I ask that the WDFW work with the legislature to address this issue.

Section 6 of this bill is an emergency clause. My discussions with WDFW indicate that this provision is not necessary and that the development of the appropriate rule package will take some time.

For these reasons, I have vetoed section 6 of Engrossed Substitute House Bill No. 1286.

With the exception of section 6, Engrossed Substitute House Bill No. 1286 is approved."

CHAPTER 1

[Senate Bill 6181]

FERRY FARES

AN ACT Relating to allowing Washington state ferry fares to be increased in excess of the fiscal growth factor; amending RCW 47.60.326; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 47.60.326 and 1999 c 94 s 27 are each amended to read as follows:

(1) In order to maintain an adequate, fair, and economically sound schedule of charges for the transportation of passengers, vehicles, and commodities on the Washington state ferries, the department of transportation each year shall conduct a full review of such charges.

(2) Prior to February 1st of each odd-numbered year the department shall transmit to the transportation commission a report of its review together with its recommendations for the revision of a schedule of charges for the ensuing biennium. The commission on or before July 1st of that year shall adopt as a rule, in the manner provided by the Washington administrative procedure act, a schedule of charges for the Washington state ferries for the ensuing biennium commencing July 1st. The schedule may initially be adopted as an emergency rule if necessary to take effect on, or as near as possible to, July 1st.

(3) The department in making its review and formulating recommendations and the commission in adopting a schedule of charges may consider any of the following factors:

(a) The amount of subsidy available to the ferry system for maintenance and operation;

(b) The time and distance of ferry runs;

(c) The maintenance and operation costs for ferry runs with a proper adjustment for higher costs of operating outmoded or less efficient equipment;

(d) The efficient distribution of traffic between cross-sound routes;

(e) The desirability of reasonable commutation rates for persons using the ferry system to commute daily to work;

(f) The effect of proposed fares in increasing walk-on and vehicular passenger use;

(g) The effect of proposed fares in promoting all types of ferry use during nonpeak periods;

(h) Such other factors as prudent managers of a major ferry system would consider.

(4) If at any time during the biennium it appears that projected revenues from the Puget Sound ferry operations account and any other operating subsidy available to the Washington state ferries will be less than the projected total cost of maintenance and operation of the Washington state ferries for the biennium, the department shall forthwith undertake a review of its schedule of charges to ascertain whether or not the schedule of charges should be revised. The department shall, upon completion of its review report, submit its recommendation

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to the transportation commission which may in its sound discretion revise the schedule of charges as required to meet necessary maintenance and operation expenditures of the ferry system for the biennium or may defer action until the regular annual review and revision of ferry charges as provided in subsection (2) of this section.

(5) The provisions of RCW 47.60.330 relating to public participation shall apply to the process of revising ferry tolls under this section.

(6) Under RCW 43.135.055, the transportation commission may increase ferry tolls included in the schedule of charges adopted under this section by a percentage that exceeds the fiscal growth factor.

NEW SECTION. Sec. 2. 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.

Passed the Senate April 30, 2001.

Passed the House May 1, 2001.

Approved by the Governor May 2, 2001.

Filed in Office of Secretary of State May 2, 2001.

CHAPTER 2

[Engrossed Senate Bill 6188]

TRANSPORTATION PERMIT EFFICIENCY AND ACCOUNTABILITY COMMITTEE

AN ACT Relating to improving the efficiency and accountability of the environmental permitting and compliance process for transportation projects; adding a new chapter to Title 47 RCW; prescribing penalties; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. I. LEGISLATIVE INTENT AND FINDINGS. The legislature finds that the public health and safety of its citizens, the natural resources, and the environment are vital interests of the state that need to be protected and preserved. The legislature further finds that the safety of the traveling public and the state's economic well-being are vital interests that depend upon the development of cost-effective and efficient transportation systems planned, designed, constructed, and maintained through expedited permit decision-making processes.

It is the intent of the legislature to achieve transportation permit reform that expedites the delivery of statewide significant transportation projects through a streamlined approach to environmental permit decision making. To optimize the limited resources available for transportation system improvements and environmental protection, state regulatory and natural resource agencies, public and private sector interests, Indian tribes, and the department of transportation must work cooperatively to establish common goals, minimize project delays, develop consistency in the application of environmental standards, maximize environmental benefits through coordinated investment strategies, and eliminate

duplicative processes through assigned responsibilities of selected permit drafting and compliance activities between state and federal agencies.

Therefore, the transportation permit efficiency and accountability committee is created. The committee shall integrate current environmental standards, but may not create new environmental standards. The committee shall conduct three environmental permit streamlining pilot projects and create a process to develop general permits. Additionally, the committee shall seek federal delegation to the state where appropriate to streamline transportation projects.

NEW SECTION. Sec. 2. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context indicates otherwise.

(1) "Assigned responsibilities" means those components of developing and implementing environmental permits, including but not limited to, environmental review and assessment, selected permit drafting, and selected on-site compliance activities that may be conducted by the department.

(2) "Best available information" means the existing sources of data, including limiting factors analyses required under chapter 77.85 RCW that can be used to make informed decisions regarding environmental conditions within a watershed.

(3) "Best management practices" means currently available and generally accepted techniques, including new technologies or strategies that seek to reduce the negative impacts of transportation facilities, projects, and services on communities and the environment, and promote more efficient and effective use of transportation facilities.

(4) "Committee" means the transportation permit efficiency and accountability committee created in section 3 of this act.

(5) "Least cost planning" means the use of best available information within a watershed basin applied to transportation decision making in the planning, permit decision making, and mitigation phases of a project.

(6) "Low-impact development project" means an activity or series of actions that conform to a comprehensive land use planning and engineering design approach with a goal of maintaining or restoring existing natural habitat functions and hydrologic regime of urban and developing watersheds. These projects incorporate strategic watershed planning with site-specific management techniques to reduce development impacts to better replicate natural watershed hydrology and water quality, while allowing for development or infrastructure rehabilitation to occur.

(7) "One-stop permit decision making" means a coordinated permit decision-making process that streamlines environmental review and permit decision making for transportation projects by providing concurrent, consolidated review by each agency required to review the project.

(8) "Programmatic approach" means a permit or other action that covers a geographic or statewide area and applies to a variety of projects, activities, or locales. A programmatic approach may allow actions to proceed without individual approval by each permit decision-making agency.

(9) "Transportation project of statewide significance" means a surface transportation project or combination of surface transportation projects, that crosses multiple city or county jurisdictional boundaries or connects major state destinations in support of the state's economy and is so designated by the department of transportation and approved by the transportation committees of the senate and house of representatives. The transportation committees of the senate and house of representatives may also jointly designate these projects. The pilot projects established in this chapter are examples of transportation projects of statewide significance, but transportation projects of statewide significance are not limited to the pilot projects.

(10) "Watershed" means a water resource inventory area.

NEW SECTION. Sec. 3. TRANSPORTATION PERMIT EFFICIENCY AND ACCOUNTABILITY COMMITTEE. The transportation permit efficiency and accountability committee is created.

(1) The committee consists of nine voting members, including two members from the house of representatives, one from each of the two largest caucuses; two senators, one from each of the two largest caucuses; one member designated by the secretary of transportation; one member designated by the director of fish and wildlife; one member designated by the director of ecology; one member designated by the Association of Washington Cities; and one member designated by the Washington State Association of Counties. The committee shall elect a chair from the four legislators appointed to the committee.

(2) The committee also includes eight nonvoting members, including one member designated by the Northwest Indian Fisheries Commission; one member designated by the Columbia River Intertribal Fisheries Commission; one member designated by the Consulting Engineers Council of Washington; one member designated by the Associated General Contractors of Washington; one member designated by the Association of Washington Business; one member designated by the Washington State Building and Construction Trades Council; one member designated by statewide environmental organizations; and one member designated by the State Fish and Wildlife Commission, to represent the interests of citizens engaged in fish and wildlife recovery.

(3) A representative from the department of natural resources and representatives from federal regulatory and transportation agencies, including the Environmental Protection Agency, National Marine Fisheries Service, United States Army Corps of Engineers, Federal Highways Administration, and United States Fish and Wildlife Service must be invited to participate in committee deliberations as nonvoting members.

(4) The committee may create technical subcommittees as needed. Technical subcommittees created for a specific pilot project or pilot projects must include, but are not limited to, representatives of local governments from jurisdictions affected by those projects. Recommendations made by a technical subcommittee must be approved by a majority of the voting members of the committee.

(5) Nonvoting members will not be compensated but will receive reimbursement for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(6) The department of transportation office of environmental affairs shall provide administrative and clerical assistance to the committee.

(7) No vote of the committee may overrule existing statutes, regulations, or local ordinances.

NEW SECTION. Sec. 4. COMMITTEE RESPONSIBILITIES. (1) The committee and its authorized technical subcommittees shall develop a one-stop permit decision-making process that uses interdisciplinary review of transportation projects of statewide significance to streamline and expedite permit decision making. The committee shall collaborate with appropriate agencies and parties to identify existing environmental standards, to assess the application of those standards, and develop an integrated permitting process based upon environmental standards and best management practices, which may use prescriptive or performance standards, for transportation projects of statewide significance that can be applied with certainty, consistency, and assurance of swift permit action, while taking into account the varying environmental conditions throughout the state.

(2) The committee shall give notice to the legislative authority of each affected county and city of the projects that are designated as transportation projects of statewide significance.

(3) The committee shall create a technical subcommittee with representation at a minimum from the department of fish and wildlife, the department of ecology, and the department of transportation.

(a) Within six months from the first meeting of the committee, the subcommittee shall create a process to develop a programmatic approach for transportation projects. The committee shall review the department's construction project list to determine which projects or activities may be included in the programmatic approach and develop agreements to cover those projects or activities. At a minimum, this process must require that decisions on minor variations to the requirements of a programmatic approach must be provided by the permit decision-making agencies within twenty-one days of submittal.

(b) The technical subcommittee's recommendations must be approved by a majority of the voting members of the committee.

(4) The committee shall explore the development of a consolidated local permit process.

(5) The committee shall develop and prioritize a list of permit streamlining opportunities, specifically identifying substantive and procedural duplications and recommendations for resolving those duplications. The committee shall evaluate current laws and regulations and develop recommendations on ways to minimize the lapsing of permits. The committee shall evaluate flexible approaches that maximize transportation and environmental interests and make recommendations regarding where those approaches should be implemented. The committee shall report its findings and recommendations to the legislature by January 15, 2002.

(6) The committee shall undertake the following activities to develop a watershed approach to environmental mitigation:

(a) Develop methodologies for analyzing environmental impacts and applying compensatory mitigation consistent with a watershed-based approach before final design, including least cost methodology and low-impact development methodology;

(b) Assess models to collate and access watershed data to support early agency involvement in transportation planning and reviews under the national Environmental Policy Act and the State Environmental Policy Act; and

(c) Use existing best available information from watershed planning efforts, lead entities, regional fisheries enhancement groups, and other recognized entities as deemed appropriate by the committee, to determine potential mitigation requirements for projects within a watershed. Priority consideration should be given to the use of the state's alternative mitigation policy guidance to best link transportation mitigation needs with local watershed and lead entity project lists.

(7) The committee shall seek federal delegation to the state where appropriate to streamline permit processes for transportation projects of statewide significance including: Delegation of section 404 permit authority under the Clean Water Act; nonfederal lead agency status under the federal Endangered Species Act; section 106 cultural resource designation under the National Historic Preservation Act; and other appropriate authority that when delegated should result in permit streamlining.

(8) The committee shall develop a dispute resolution process to resolve conflicts in interpretation of environmental standards and best management practices, mitigation requirements, permit requirements, assigned responsibilities, and other related issues by September 1, 2001. The dispute resolution process may not abrogate or supplant any appeal right of any party under existing statutes. The dispute resolution process must be designed to include federal agencies if they choose to participate.

(9) The committee shall develop preliminary models and strategies for agencies to test how best to maximize the environmental investment of transportation funds on a watershed basis. After agencies test the models and strategies developed by the committee, the committee shall evaluate the models and strategies and make recommendations to the legislature.

(10) The committee shall develop a consistent methodology for the timely and predictable submittal and evaluation of completed plans and specifications detailing project elements that impact environmental resources as well as proposed mitigation measures during the preliminary specifications and engineering phase of project development and submit information on the consistent methodology to the legislature.

(11) The committee shall provide a summary report to the legislature on September 15, 2001, and every six months thereafter.

NEW SECTION. Sec. 5. PILOT PROJECTS. (1) The committee shall select and conduct permit reform pilot projects in three locales: (a) Urban near built-out

conditions; (b) urban centers serving as crucial rural connectors; and (c) rural corridors critical to statewide economic productivity. The pilot projects must test the assignment of responsibilities such as selected permit drafting and selected compliance activities to the department.

(2) The committee shall commence efforts to apply streamlining lessons learned from the streamlined permit process for the pilot projects to as many other transportation projects of statewide significance as quickly as possible. In reporting to the legislature, the committee may recommend statutory or regulatory changes that would result in streamlining for future projects.

(3) The department and permitting agencies shall apply an interim interdisciplinary permit review process for the pilot projects as set forth in this section. This process must provide coordinated review and approval of permit applications; provide coordinated and consolidated public hearings where required by one or more regulatory agencies under state law; and coordinate timelines for permit decision making.

(4) The committee shall give notice to the legislative authority of each affected county and city of the projects the committee has designated as pilot projects. Each county and city notified must be offered the opportunity to participate in the pilot projects as provided for in this chapter. The department shall provide funding assistance for participation.

(5) The committee shall develop a dispute resolution process to resolve conflicts in interpretation of environmental standards and best management practices, mitigation requirements, permit requirements, assigned responsibilities, the streamlined process for pilot projects set forth in this section, and other related issues by September 1, 2001. The dispute resolution process may not abrogate or supplant any appeal right of any party under existing statutes. The dispute resolution process must be designed to include federal agencies if they choose to participate. The dispute resolution process must be applied to the pilot projects.

(6) The streamlined process for the pilot projects must be based on the following model:

(a) Step 1: The department and permitting agencies will agree on coordination for environmental review under the state and national environmental policy acts, including document preparation, public comment opportunities, and timelines.

(b) Step 2: For each project, the department will convene a meeting of all entities with permitting authority to review:

(i) The proposed conceptual design for the project and alternative routes, construction approaches, or mitigation approaches;

(ii) All known reviewing entities, permit application and approval requirements, and timelines; and

(iii) A coordinated timeline that allows all statutory requirements to be met.

(c) Step 3: The department will draft all necessary permits to proceed with the preferred alternative using relevant agreements with permitting agencies.

(d) Step 4: The department will provide public notice in conformity with all applicable statutes and regulations and allow the required time for public hearings and written comments.

(e) Step 5: The department may revise the draft permits after consideration of public comments and applying all relevant agreed upon standards.

(f) Step 6: All permits will be disseminated to permitting agencies for final review. All reviews will be completed within forty-five days, at which time the permitting agencies will act upon the permit and either approve the permit or return it without approval.

(g) Step 7: If the permit is returned to the department without approval, the permitting agencies will have one opportunity to identify errors or omissions and any remaining specific deficiencies or circumstances not previously addressed by agreements between the department and agencies that must be met or addressed to be compliant with applicable law. The department may revise the permit as warranted and resubmit the permit to the permitting agency, which will have fifteen days from receipt of the revised permit to take final action.

(h) Step 8: Disputes related to permit decisions will be addressed by the dispute resolution process established by the committee.

NEW SECTION. Sec. 6. LOCAL GOVERNMENT PARTICIPATION. (1) This section establishes procedures for city, town, and county governments to participate in the processes identified in this chapter to provide for coordinated, multijurisdictional environmental review and permitting decisions for pilot projects and transportation projects of statewide significance.

(2) Each city, town, and county within whose boundaries is located or partially located one or more projects identified in subsection (1) of this section, shall elect whether or not to participate in coordinated processes for environmental review and permitting of those projects as required in this chapter. If the city, town, or county elects to participate, it may do so as either a participating entity or as an assigning entity.

(a) If a city, town, or county elects to be considered as a participating entity, the committee must then include a representative designated by the city, town, or county in the coordinated review of the project. The department shall compensate the jurisdiction for technical support required for participation in the process. The jurisdiction will also be eligible for reimbursement for permit fees set by local ordinances and other agreed upon costs associated with the issuance of project permits.

(b) For the purposes of expediting the permit process, a city, town, or county may elect to assign its permit responsibilities under chapter 39.34 RCW to the department simultaneously with its notification to the department as specified in this section. The city, town, or county electing to assign its responsibilities shall enter into an agreement with the department to define the local permit requirements that must be met. Permits issued under the negotiated agreement are presumed to at least meet local environmental permit requirements. A city, town,

or county choosing to use this option is eligible for a permit fee set by local ordinances associated with the issuance of the project permits.

(3) If the city, town, or county elects not to participate in the coordinated processes for the pilot projects designated in this chapter or transportation projects of statewide significance the department will issue the locally required permits, when allowable. The department shall comply with all provisions of city, town, and county ordinances, and the department permit approval is presumed to at least meet the local environmental review and permit requirements.

(4) Any city, town, or county shall notify the department within sixty days of receipt of the committee's notification of project designation, as to whether it elects to be considered as a participating entity or an assigning entity, or elects not to participate in the coordinated process provided in this chapter.

(5) The committee shall review and evaluate the process by which local governments review and approve pilot projects and transportation projects of statewide significance, and shall provide recommendations to the legislature to improve the coordination of the local process with state and federal reviews as part of the reports required by this chapter.

(6) A city, town, or county is not liable for decisions made by the department that result in a failure to comply with city, town, or county ordinances except as provided in the interlocal agreements, and the department shall defend and answer to any actions or complaints challenging the validity of permits issued under this section.

NEW SECTION. Sec. 7. INTERIM PERMIT PROCESS. Until integrated standards and best management practices have been adopted by the committee, the department may use the following process for transportation projects of statewide significance, including projects requested by a project sponsor.

(1) Step 1: Conceptual description. The department will identify project purposes, the approximate location or alternative locations, and the federal, state, and local agencies that might have authority to review and approve the project or portions of it at any such locations, and a preliminary interagency communication list identifying agencies that may be interested in the proposed project and, where known, contact persons in such agencies. If the department is going to proceed with step 2 or to abandon the project, it may complete step 1 by: (a) Providing a summary of the outcome to all agencies on the list; and (h) making the summary available to the public.

(2) Step 2: Early involvement of other agencies. (a) At any time after completing step 1, the department will provide notice to all agencies on the interagency communication list and the public. Within thirty days, or a longer time if specified by the department, each state, local, and federal agency will be encouraged to identify:

(i) A primary contact person to coordinate future communications with the department and other interested agencies regarding the project, or indicate that it has no interest in the project and need not remain on the project information list;

(ii) Its role with respect to the proposed project;

(iii) Additional alternative locations the department should consider and the roles it would expect to have with the project at those locations;

(iv) Other agencies it believes should be added to the list for the project; and

(v) Other information the agency requests the department to consider.

(b) After all state and local agencies on the list have responded, or at least ten days after expiration of the specified response time, the department may complete step 2 by: (i) Proposing one or more conceptual designs for the project at a proposed location and any alternative locations then being considered; (ii) providing a summary of the results of step 2, including a statement that the department considers step 2 to be complete or complete except for specified issues remaining to be resolved with specified agencies, to all agencies on the interagency communication list; and (iii) making the summary available to the public.

(3) Step 3: Identify environmental reviews, permits, and other approvals, application procedures, and decision standards. (a) At any time after completing step 2, the department may initiate step 3 by notice to all agencies on the list and the public. This notice may include a threshold determination on whether an environmental impact statement (EIS) or supplemental EIS will be prepared or an environmental checklist and request for comments on what steps should be taken to comply with chapter 43.21C RCW, the State Environmental Policy Act (SEPA). Within thirty days, or a longer time if specified by the department, each state, local, and federal agency will be encouraged to identify:

(i) The procedures under which it expects environmental reviews of the project to occur;

(ii) All permits and other approvals it might require for the project at each alternative location and conceptual design;

(iii) What is needed for the department to file a complete application for each permit or other approval;

(iv) The laws, regulations, ordinances, and policies it would administer with respect to the project at each alternative location and conceptual design; and

(v) Other information the agency requests the department to consider in deciding whether, when, where, or how to proceed with the project.

(b) After all state and local agencies on the list have responded, or at least ten days after expiration of the specified response time, the department may complete step 3 by:

(i) Adopting a list of all environmental reviews, permits, and other approvals it believes are needed for the project under each alternative being considered;

(ii) Providing all agencies on the list a copy of that list and a summary of the other results of step 3, including a statement that the department considers step 3 to be complete or complete except for specified issues remaining to be resolved with specified agencies; and

(iii) Making the list and summary available to the public.

(c) The list and summary will be presumed to accurately identify all environmental reviews, permits, and other approvals needed for each alternative

described, what is required for applications to be considered complete, and the standards under which applications will be reviewed and approved, unless an aggrieved agency or person files objections within thirty days after the list and summary are distributed.

(4) Step 4: Tentative selection of preferred alternative. (a) At any time after completing step 3, the department may initiate step 4 by notice to all agencies on the list and the public. This notice may be accompanied by a scoping notice for an EIS or supplemental EIS or, if available, be accompanied by a draft EIS or supplemental EIS. It also may be accompanied by the department's preliminary analysis of the advantages and disadvantages of each identified alternative, or other information that may be helpful to other interested agencies and the public in identifying advantages and disadvantages. Within fourteen days, or a longer time if specified by the department, each state, local, and federal agency will be encouraged to identify:

(i) For each identified alternative, the specific features it considers significant with respect to its role in environmental reviews, permits, or other approvals for the project; the reasons these features are significant, and any concerns it may have about the alternative because of potential adverse impacts of these features on resources or social policies within its jurisdiction;

(ii) For each feature for which it raises concerns, recommendations on how the potential adverse impacts could be avoided, minimized, and mitigated;

(iii) For each feature for which it raises concerns, an assessment of the relative ranking of each alternative with respect to whether and to what extent these concerns apply;

(iv) Recommendations the agency may have as to which alternatives should be retained or dropped from further consideration, and ways in which alternatives might be modified or combined to address its concerns, recognizing that final decisions can be made only through the applicable environmental review, permit, and other approval processes and the agency making them is not bound with respect to any future decisions it may make regarding the project;

(v) Other information the agency requests the department to consider in deciding whether, when, where, or how to proceed with the project.

(b) After all state and local agencies on the list have responded, or at least ten days after expiration of the specified response time, the department may complete step 4 by:

(i) Selecting a preferred alternative for purposes of all environmental reviews, permits, and other approvals needed for the project;

(ii) Providing all agencies on the list a description of the preferred alternative and summary of the other results of step 4, including a statement that the department considers step 4 to be complete or complete except for specified issues remaining to be resolved with specified agencies; and

(iii) Making the preferred alternative and summary available to the public. The preferred alternative will be identified in all environmental reviews, permits, and other approvals needed for the project.

(5) Step 5: Completing environmental reviews and applications for permits and other approvals. (a) At any time after completing step 4, the department may initiate step 5 by notice to all agencies on the list and the public. A draft EIS or supplemental EIS, the department's draft plans and specifications for the project, and draft applications for some or all permits and other approvals may be provided with the notice or when they subsequently become available. Within thirty days, or a longer time if specified by the department, each state, local, and federal agency will be encouraged to identify:

(i) All concerns it previously raised regarding the alternative, and other alternatives still under consideration, that have not been resolved to its satisfaction;

(ii) Additional concerns it may have, particularly concerns resulting from additional information about the project location and design, and other new information received since the completion of step 4;

(iii) Additional environmental reviews, permits, or other approvals needed for the preferred alternative because of changes in laws, regulations, or policies or changes in the project location or design since these issues were last reviewed in step 3 or 4;

(iv) Changes in applicable requirements for complete applications for permits or other approvals under its jurisdiction since these issues were last reviewed in step 3 or 4;

(v) Other changes in applicable laws, regulations, ordinances, or policies administered by the agency since these issues were last reviewed in step 3 or 4;

(vi) Whether a draft application proposed by the department for a permit or other approval from the agency is complete, and if not, what additional information or other changes are needed for it to be complete.

(b) When all state and local agencies on the list have responded, or at least ten days after expiration of the specified response time, the department may complete step 5 by:

(i) Completing some or all environmental review processes and draft application forms for permits and other approvals that it reasonably believes to be complete;

(ii) Providing all agencies on the interagency communication list with environmental review and application documents and a summary of the other results of step 5, including a statement that the department considers step 5 to be complete or complete except for specified issues remaining to be resolved with specified agencies; and

(iii) Making the completed environmental review documents and summary available to the public. The preferred alternative will be identified in all environmental reviews, permits, and other approvals needed for the project.

(c) However, if an interested agency or aggrieved person files objections within fourteen days after the preferred alternative and summary are distributed, the objections will be addressed in subsequent environmental reviews and agency decisions regarding the project.

(6) Step 6: Completing the environmental review, permit, and other approval processes. (a) At any time after completing step 5, the department may initiate step 6 by notice to all agencies on the list and the public and filing applications for some or all permits and other approvals needed for the project. Within thirty days, or a longer time if specified by the department, each state, local, and federal agency will be encouraged to:

(i) Acknowledge receipt of draft environmental review documents provided to them and provide comments on them;

(ii) Acknowledge receipt of final environmental review documents and determine that they are adequate for purposes of their roles regarding the project or specify what additional information or changes are needed for them to be considered adequate;

(iii) Acknowledge receipt of each application filed with them and determine that the application is complete or specify what additional information or changes are needed for it to be considered complete;

(iv) Acknowledge that the applications submitted to them will be processed under the laws, regulations, ordinances, and policies previously identified under steps 3, 4, and 5 or specify what changes have occurred in the governing standards that were in effect on the date a complete application was filed and thus apply to the project;

(v) Identify the significant steps necessary for the agency to reach a final decision on applications and the estimated time needed for each step;

(vi) Identify ways its decision-making process might be made more efficient and effective through additional coordination with other agencies, with any recommendations for such methods as joint solicitation and review of public comments and jointly conducting public hearings.

(b) It is recognized that step 6 may require an iterative process with several drafts of various environmental review documents and applications being considered and revised, and that changes in project location or design resulting from the permit decisions of one agency may require revising applications or even reopening permit decisions of other agencies. All state and local agencies are expected, and federal agencies are encouraged, to communicate and cooperate to minimize the number of iterations required and make the process as efficient and effective as possible. Unless significant new information is obtained, decisions made under step 6 should not be reopened except at the request of the department, and the most recent information available under steps 3, 4, and 5 should be presumed accurate until significant new information becomes available.

(c) If all environmental reviews have not been completed and all permits and other approvals obtained within forty-five days after step 6 is initiated, the department, by notice to all agencies on the list and the public, may set a deadline for completing reviews and decisions. At any time after the deadline, the department may terminate the coordination process of this section as to some or all of the reviews and decisions that are still not completed.

NEW SECTION. Sec. 8. DEPARTMENT ORGANIZATION AND ADMINISTRATIVE ACTIONS. The legislature finds that an essential component of streamlined permit decision making is the ability of the department to demonstrate the capacity to meet environmental responsibilities. Therefore, the legislature directs that:

(1) The department may amend its operating practices applicable to obtaining project permits when:

(a) Agreements on standards or best management practices as appropriate, are reached under section 4 of this act;

(b) The committee determines that streamlining procedures and methodologies implemented for pilot projects consistent with section 5 of this act warrant broader application;

(c) The committee determines that the assignment of responsibilities between regulating agencies and the department is appropriate for broader use.

(2) The department may develop permits for review by permitting agencies when agreement on the standards and best management practices covered by such permits have been reached under section 4 of this act. Regulating agencies shall review permits based upon the agreed upon standards and timelines developed in section 4 of this act, as well as any other applicable existing standards.

(3) Qualified environmental staff within the department shall lead the development of all environmental documentation associated with department projects and permit activities in accordance with the department's project delivery tools.

(4) The department shall conduct special prebid meetings for projects that are environmentally complex. In addition, the department shall review environmental considerations related to these projects during the preconstruction meeting held with the contractor who is awarded the bid.

(5) Environmental staff at the department shall conduct field inspections to ensure that project activities are performed under permit conditions. These inspectors:

(a) May issue stop work orders when compliance with permit standards are not being met; and

(b) For this portion of their job duties, are accountable to the director of environmental affairs of the department.

(6) Failure to comply with a stop work order may result in civil penalties being assessed against the department and individuals involved. Willful violation of a stop work notice issued by the department is subject to civil penalties assessed on the agency as well as the individuals involved. Persistent violations by the department may result in loss of permit drafting and program management responsibilities.

NEW SECTION. Sec. 9. TRAINING AND COMPLIANCE. The legislature expects the department to continue its efforts to improve training and compliance. The department shall:

(1) Provide training in environmental procedures and permit requirements for those responsible for project delivery activities;

(2) Require wetland mitigation sites to be designed by a qualified interdisciplinary team that meets training requirements developed by the department's environmental affairs office in consultation with the department of ecology. Environmental mitigation site improvements must have oversight by environmental staff;

(3) Develop an environmental compliance data system to track all permit conditions;

(4) Report all noncompliance activities to applicable agencies of jurisdiction along with a remedy plan;

(5) Fund the departments of ecology, natural resources, and fish and wildlife, operating under their permit-granting authority to conduct audits of the department's permit drafting and compliance activities. The department of ecology must collate the audits in an annual report to the legislature;

(6) Seek federal funding for dedicated technical staff at federal permit decision-making agencies and for state costs associated with implementation of this act;

(7) Fund dedicated technical staff at federal permit decision-making entities, as appropriate, and the state departments of ecology, natural resources, community, trade, and economic development, and fish and wildlife to implement the requirements of this chapter;

(8) Fund a technical specialist at the Northwest Indian Fisheries Commission and the Columbia River Intertribal Fisheries Commission for the purpose of implementing this chapter;

(9) Reimburse local jurisdictions for costs associated with local participation on the committee and technical subcommittees.

NEW SECTION. Sec. 10. COST REIMBURSEMENT. The committee shall negotiate a method of cost reimbursement for the costs associated with carrying out the purposes of this chapter, including prior departmental agreements with permitting agencies to cover their costs for transportation projects of statewide significance.

NEW SECTION. Sec. 11. CAPTIONS. Captions used in this chapter are not any part of the law.

NEW SECTION. Sec. 12. Sections 1 through 11 of this act constitute a new chapter in Title 47 RCW.

NEW SECTION. Sec. 13. This act expires March 31, 2003.

NEW SECTION. Sec. 14. 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.

Ch. 2 WASHINGTON LAWS, 2001 1st Sp. Sess.

NEW SECTION. Sec. 15. 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.

Passed the Senate May 22, 2001.
Passed the House May 24, 2001.
Approved by the Governor May 29, 2001.
Filed in Office of Secretary of State May 29, 2001.

CHAPTER 3

[Filed by Washington Citizens' Commission on Salaries for Elected Officials]
SALARIES--STATE ELECTED OFFICIALS

AN ACT Relating to salaries of elected officials; and amending RCW 43.03.011, 43.03.012, and 43.03.013.

Be it enacted by the Washington Citizens' Commission on Salaries for Elected Officials of the State of Washington:

Sec. 1. RCW 43.03.011 and 1999 sp.s. c 3 s 1 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salaries of the state elected officials of the executive branch shall be as follows:

(1) ((Effective September 1, 1997:	
(a) Governor	\$ 121,000
(b) Lieutenant governor	\$ 62,700
(c) Secretary of state	\$ 69,000
(d) Treasurer	\$ 84,100
(e) Auditor	\$ 84,100
(f) Attorney general	\$ 93,000
(g) Superintendent of public instruction	\$ 86,600
(h) Commissioner of public lands	\$ 86,600
(i) Insurance commissioner	\$ 77,200
(2) Effective September 1, 1999:	
(a) Governor	\$ 132,000
(b) Lieutenant governor	\$ 62,700
(c) Secretary of state	\$ 75,900
(d) Treasurer	\$ 92,500
(e) Auditor	\$ 95,200
(f) Attorney general	\$ 120,000
(g) Superintendent of public instruction	\$ 94,394
(h) Commissioner of public lands	\$ 94,394
(i) Insurance commissioner	\$ 86,000
(3))) Effective September 1, 2000:	
(a) Governor	\$ 135,960
(b) Lieutenant governor	\$ 71,070

(c) Secretary of state	\$ 78,177
(d) Treasurer	\$ 95,275
(e) Auditor	\$ 95,275
(f) Attorney general	\$ 123,600
(g) Superintendent of public instruction	\$ 97,226
(h) Commissioner of public lands	\$ 97,226
(i) Insurance commissioner	\$ 88,580

(2) Effective September 1, 2001:

<u>(a) Governor</u>	<u>\$ 139,087</u>
<u>(b) Lieutenant governor</u>	<u>\$ 72,705</u>
<u>(c) Secretary of state</u>	<u>\$ 89,001</u>
<u>(d) Treasurer</u>	<u>\$ 97,466</u>
<u>(e) Auditor</u>	<u>\$ 97,466</u>
<u>(f) Attorney general</u>	<u>\$ 126,443</u>
<u>(g) Superintendent of public instruction</u>	<u>\$ 99,462</u>
<u>(h) Commissioner of public lands</u>	<u>\$ 99,462</u>
<u>(i) Insurance commissioner</u>	<u>\$ 90,617</u>

(3) Effective September 1, 2002:

<u>(a) Governor</u>	<u>\$ 142,286</u>
<u>(b) Lieutenant governor</u>	<u>\$ 74,377</u>
<u>(c) Secretary of state</u>	<u>\$ 91,048</u>
<u>(d) Treasurer</u>	<u>\$ 99,708</u>
<u>(e) Auditor</u>	<u>\$ 99,708</u>
<u>(f) Attorney general</u>	<u>\$ 129,351</u>
<u>(g) Superintendent of public instruction</u>	<u>\$ 101,750</u>
<u>(h) Commissioner of public lands</u>	<u>\$ 101,750</u>
<u>(i) Insurance commissioner</u>	<u>\$ 92,702</u>

(4) The lieutenant governor shall receive the fixed amount of his salary plus 1/260th of the difference between his salary and that of the governor for each day that the lieutenant governor is called upon to perform the duties of the governor by reason of the absence from the state, removal, resignation, death, or disability of the governor.

Sec. 2. RCW 43.03.012 and 1999 sp.s. c 3 s 2 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 2.04.092, 2.06.062, 2.08.092, 3.58.010, and 43.03.310, the annual salaries of the judges of the state shall be as follows:

~~(1) ((Effective September 1, 1997:~~

(a) Justices of the supreme court	\$ 112,078
(b) Judges of the court of appeals	\$ 106,537
(c) Judges of the superior court	\$ 100,995
(d) Full-time judges of the district court	\$ 96,082

~~(2) Effective September 1, 1999:~~

(a) Justices of the supreme court	\$ 120,000
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(b) Judges of the court of appeals	\$ 114,000
(c) Judges of the superior court	\$ 108,300
(d) Full-time judges of the district court	\$ 102,885
(3)) Effective September 1, 2000:	
(a) Justices of the supreme court	\$ 123,600
(b) Judges of the court of appeals	\$ 117,420
(c) Judges of the superior court	\$ 111,549
(d) Full-time judges of the district court	\$ 105,972
<u>(2) Effective September 1, 2001:</u>	
<u>(a) Justices of the supreme court</u>	<u>\$ 131,558</u>
<u>(b) Judges of the court of appeals</u>	<u>\$ 125,236</u>
<u>(c) Judges of the superior court</u>	<u>\$ 119,230</u>
<u>(d) Full-time judges of the district court</u>	<u>\$ 113,524</u>
<u>(3) Effective September 1, 2002:</u>	
<u>(a) Justices of the supreme court</u>	<u>\$ 134,584</u>
<u>(b) Judges of the court of appeals</u>	<u>\$ 128,116</u>
<u>(c) Judges of the superior court</u>	<u>\$ 121,972</u>
<u>(d) Full-time judges of the district court</u>	<u>\$ 116,135</u>

(4) The salary for a part-time district court judge shall be the proportion of full-time work for which the position is authorized, multiplied by the salary for a full-time district court judge.

Sec. 3. RCW 43.03.013 and 1999 sp.s. c 3 s 3 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salary of members of the legislature shall be:

<u>(1) ((Effective September 1, 1997:</u>	
(a) Legislators	\$ 28,300
(b) Speaker of the house	\$ 36,300
(c) Senate majority leader	\$ 32,300
(d) Senate minority leader	\$ 32,300
(e) House minority leader	\$ 32,300
(2) Effective September 1, 1999:	
(a) Legislators	\$ 31,130
(b) Speaker of the house	\$ 39,130
(c) Senate majority leader	\$ 35,130
(d) Senate minority leader	\$ 35,130
(e) House minority leader	\$ 35,130
(3)) Effective September 1, 2000:	
(a) Legislators	\$ 32,064
(b) Speaker of the house	\$ 40,064
(c) Senate majority leader	\$ 36,064
(d) Senate minority leader	\$ 36,064
(e) House minority leader	\$ 36,064
<u>(2) Effective September 1, 2001:</u>	

<u>(a) Legislators</u>	<u>\$ 32,801</u>
<u>(b) Speaker of the house</u>	<u>\$ 40,801</u>
<u>(c) Senate majority leader</u>	<u>\$ 40,801</u>
<u>(d) House minority leader</u>	<u>\$ 32,801</u>
<u>(e) Senate minority leader</u>	<u>\$ 36,801</u>
<u>(3) Effective September 1, 2002:</u>	
<u>(a) Legislators</u>	<u>\$ 33,556</u>
<u>(b) Speaker of the house</u>	<u>\$ 41,556</u>
<u>(c) Senate majority leader</u>	<u>\$ 41,556</u>
<u>(d) House minority leader</u>	<u>\$ 37,556</u>
<u>(e) Senate minority leader</u>	<u>\$ 37,556</u>

E. Arthur Self, Chair
Washington Citizens' Commission on
Salaries for Elected Officials

Filed in Office of Secretary of State May 31, 2001

CHAPTER 4

[Second Substitute House Bill 1058]

MEDICAL ASSISTANCE—BREAST AND CERVICAL CANCER

AN ACT Relating to medical assistance for breast and cervical cancer treatment for low-income women; reenacting and amending RCW 74.09.510; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.09.510 and 1997 c 59 s 14 and 1997 c 58 s 201 are each reenacted and amended to read as follows:

Medical assistance may be provided in accordance with eligibility requirements established by the department, as defined in the social security Title XIX state plan for mandatory categorically needy persons and: (1) Individuals who would be eligible for cash assistance except for their institutional status; (2) individuals who are under twenty-one years of age, who would be eligible for medicaid, but do not qualify as dependent children and who are in (a) foster care, (b) subsidized adoption, (c) a nursing facility or an intermediate care facility for the mentally retarded, or (d) inpatient psychiatric facilities; (3) the aged, blind, and disabled who: (a) Receive only a state supplement, or (b) would not be eligible for cash assistance if they were not institutionalized; (4) categorically eligible individuals who meet the income and resource requirements of the cash assistance programs; (5) individuals who are enrolled in managed health care systems, who have otherwise lost eligibility for medical assistance, but who have not completed a current six-month enrollment in a managed health care system, and who are eligible for federal financial participation under Title XIX of the social security act; (6) children and pregnant women allowed by federal statute for whom funding is appropriated; (7) other individuals eligible for medical services

under RCW 74.09.035 and 74.09.700 for whom federal financial participation is available under Title XIX of the social security act; ~~((and))~~ (8) persons allowed by section 1931 of the social security act for whom funding is appropriated; and (9) women who are: (a) Under sixty-five years of age; (b) have been screened for breast and cervical cancer under the national breast and cervical cancer early detection program administered by the department of health or tribal entity and have been identified as needing treatment for breast or cervical cancer; and (c) are not otherwise covered by health insurance. Medical assistance provided under this subsection is limited to the period during which the woman requires treatment for breast or cervical cancer, and is subject to any conditions or limitations specified in the omnibus appropriations act.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the House May 1, 2001.

Passed the Senate May 23, 2001.

Approved by the Governor June 11, 2001.

Filed in Office of Secretary of State June 11, 2001.

CHAPTER 5

[Engrossed House Bill 1845]

SURFACE MINING PERMITS

AN ACT Relating to surface mining reclamation permit fees; amending RCW 78.44.085; creating a new section; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 78.44.085 and 1997 c 413 s 1 are each amended to read as follows:

(1) An applicant for a public or private reclamation permit shall pay ~~((an))~~ a nonrefundable application fee to the department before being granted a surface mining permit. The amount of the application fee shall be ~~((six hundred fifty))~~ one thousand dollars.

(2) After June 30, ~~((1993))~~ 2001, each public or private permit holder shall pay an annual permit fee of ~~((six hundred fifty))~~ one thousand dollars. The annual permit fee shall be payable to the department on the first anniversary of the permit date and each year thereafter. Annual fees paid by a county for mines used exclusively for public works projects and having less than seven acres of disturbed area per mine shall not exceed one thousand dollars. Annual fees are waived for all mines used primarily for public works projects if the mines are owned and primarily operated by counties with 1993 populations of less than twenty thousand persons, and if each mine has less than seven acres of disturbed area.

(3) Appeals from any determination of the department shall not stay the requirement to pay any annual permit fee. Failure to pay the annual fee may

constitute grounds for an order to suspend surface mining or cancellation of the reclamation permit as provided in this chapter.

(4) All fees collected by the department shall be deposited into the surface mining reclamation account.

(5) If the department delegates enforcement responsibilities to a county, city, or town, the department may allocate funds collected under this section to the county, city, or town.

(6) Within sixty days after receipt of a permit application, the department shall advise applicants of any information necessary to successfully complete the application.

NEW SECTION. Sec. 2. By January 1, 2003, the department of natural resources shall report to the appropriate policy and fiscal committees of the legislature regarding program deliverables and uses of the new fee revenue.

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 July 1, 2001.

Passed the House May 8, 2001.

Passed the Senate May 24, 2001.

Approved by the Governor June 11, 2001.

Filed in Office of Secretary of State June 11, 2001.

CHAPTER 6

[Engrossed Second Substitute House Bill 2025]
LIMITED ENGLISH PROFICIENT STUDENTS

AN ACT Relating to students whose primary language is other than English; amending RCW 28A.180.030 and 28A.180.040; adding a new section to chapter 28A.180 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The superintendent of public instruction shall review:

(a) The criteria used to determine the point at which limited English proficient students are required to take the Washington assessment of student learning. The review shall be used to determine if the criteria are developmentally appropriate and in the best interest of the students.

(b) The criteria used to determine the point at which the results of the Washington assessment of student learning for students receiving instructional services in the state transitional bilingual instruction program should be included in a school district's and school's assessment results.

(2) In conducting the review, the superintendent shall consult with parents, teachers, principals, classroom instructional staff, recognized experts in second-language instruction, and statewide ethnic organizations that represent second-language learners.

(3) Preliminary results of the review shall be reported to the education and fiscal committees of the legislature by December 1, 2001. Final results of the review shall be reported to the education and fiscal committees of the legislature by December 1, 2002.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.180 RCW to read as follows:

The superintendent of public instruction shall develop an evaluation system designed to measure increases in the English and academic proficiency of eligible pupils. When developing the system, the superintendent shall:

(1) Require school districts to assess potentially eligible pupils within ten days of registration using an English proficiency assessment or assessments as specified by the superintendent of public instruction. Results of these assessments shall be made available to both the superintendent of public instruction and the school district;

(2) Require school districts to annually assess all eligible pupils at the end of the school year using an English proficiency assessment or assessments as specified by the superintendent of public instruction. Results of these assessments shall be made available to both the superintendent of public instruction and the school district;

(3) Develop a system to evaluate increases in the English and academic proficiency of students who are, or were, eligible pupils. This evaluation shall include students when they are in the program and after they exit the program until they finish their K-12 career or transfer from the school district. The purpose of the evaluation system is to inform schools, school districts, parents, and the state of the effectiveness of the transitional bilingual programs in school and school districts in teaching these students English and other content areas, such as mathematics and writing; and

(4) Report to the education and fiscal committees of the legislature by November 1, 2002, regarding the development of the systems described in this section and a timeline for the full implementation of those systems. The legislature shall approve and provide funding for the evaluation system in subsection (3) of this section before any implementation of the system developed under subsection (3) of this section may occur.

Sec. 3. RCW 28A.180.030 and 1990 c 33 s 164 are each amended to read as follows:

As used (~~in RCW 28A.180.010 through 28A.180.080~~) throughout this chapter, unless the context (~~(thereof)~~) clearly indicates (~~(to the contrary)~~) otherwise:

(1) "Transitional bilingual instruction" means:

(a) A system of instruction which uses two languages, one of which is English, as a means of instruction to build upon and expand language skills to enable the pupil to achieve competency in English. Concepts and information are introduced in the primary language and reinforced in the second language:

PROVIDED, That the program shall include testing in the subject matter in English; or

(b) In those cases in which the use of two languages is not practicable as established by the superintendent of public instruction and unless otherwise prohibited by law, an alternative system of instruction which may include English as a second language and is designed to enable the pupil to achieve competency in English.

(2) "Primary language" means the language most often used by the student for communication in his/her home.

(3) "Eligible pupil" means any enrollee of the school district whose primary language is other than English and whose English language skills are sufficiently deficient or absent to impair learning.

Sec. 4. RCW 28A.180.040 and 1984 c 124 s 3 are each amended to read as follows:

Every school district board of directors shall:

(1) Make available to each eligible pupil transitional bilingual instruction to achieve competency in English, in accord with rules of the superintendent of public instruction.

(2) Wherever feasible, ensure that communications to parents emanating from the schools shall be appropriately bilingual for those parents of pupils in the bilingual instruction program.

(3) Determine, by administration of an English test approved by the superintendent of public instruction the number of eligible pupils enrolled in the school district at the beginning of a school year and thereafter during the year as necessary in individual cases. ~~((If, however, a preliminary interview indicates little or no English speaking ability, eligibility testing shall not be necessary.))~~

(4) Before the conclusion of each school year, measure each eligible pupil's improvement in learning the English language by means of a test approved by the superintendent of public instruction.

(5) Provide in-service training for teachers, counselors, and other staff, who are involved in the district's transitional bilingual program. Such training shall include appropriate instructional strategies for children of culturally different backgrounds, use of curriculum materials, and program models.

NEW SECTION. Sec. 5. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2001, in the omnibus appropriations act, this act is null and void.

Passed the House May 24, 2001.

Passed the Senate May 23, 2001.

Approved by the Governor June 11, 2001.

Filed in Office of Secretary of State June 11, 2001.

CHAPTER 7

[House Bill 2098]

TAXATION—HOUSING FOR LOW-INCOME HOUSEHOLDS

AN ACT Relating to the exemption from taxation of housing for very low-income households; amending RCW 84.36.560; and reenacting and amending RCW 84.36.805.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 84.36.560 and 1999 c 203 s 1 are each amended to read as follows:

(1) The real and personal property owned or used by a nonprofit entity in providing rental housing for very low-income households or used to provide space for the placement of a mobile home for a very low-income household within a mobile home park is exempt from taxation if:

(a) The benefit of the exemption inures to the nonprofit (~~organization, association, or corporation~~) entity;

(b) At least seventy-five percent of the occupied dwelling units in the rental housing or lots in a mobile home park are occupied by a very low-income household(~~s~~); and

(c) The rental housing (~~was~~) or lots in a mobile home park were insured, financed, or assisted in whole or in part through:

(i) A federal or state housing program administered by the department of community, trade, and economic development; or

(ii) An affordable housing levy authorized under RCW 84.52.105.

(2) If less than seventy-five percent of the occupied dwelling units within the rental housing or lots in the mobile home park are occupied by very low-income households, the rental housing (~~used to provide housing for very low-income households~~) or mobile home park is eligible for a partial exemption on the real property and a total exemption of the housing's or park's personal property as follows:

(a) (~~The~~) A partial exemption shall be allowed for each dwelling unit in the rental housing or for each lot in a mobile home park occupied by a very low-income household(~~s~~).

(b) The amount of exemption shall be calculated by multiplying the assessed value of the property reasonably necessary to provide the rental housing or to operate the mobile home park by a fraction. The numerator of the fraction is the number of dwelling units or lots occupied by very low-income households as of December 31st of the first assessment year in which the rental housing or mobile home park becomes operational or on January 1st of ((the)) each subsequent assessment year for which the exemption is claimed. The denominator of the fraction is the total number of (~~occupied~~) dwelling units (~~as of~~) or lots occupied as of December 31st of the first assessment year the rental housing or mobile home park becomes operational and January 1st of ((the)) each subsequent assessment year for which exemption is claimed.

(3) (~~Rental housing for very low-income households is exempt from property taxation only if the nonprofit operating the housing is exempt from income tax~~)

under section 501(c) of the federal internal revenue code)) If a currently exempt rental housing unit in a facility with ten units or fewer or mobile home lot in a mobile home park with ten lots or fewer was occupied by a very low-income household at the time the exemption was granted and the income of the household subsequently rises above fifty percent of the median income but remains at or below eighty percent of the median income, the exemption will continue as long as the housing continues to meet the certification requirements of a very low-income housing program administered by the department of community, trade, and economic development or the affordable housing levy under RCW 84.52.105. For purposes of this section, median income, as most recently determined by the federal department of housing and urban development for the county in which the rental housing or mobile home park is located, shall be adjusted for family size. However, if a dwelling unit or a lot becomes vacant and is subsequently re-rented, the income of the new household must be at or below fifty percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the rental housing or mobile home park is located to remain exempt from property tax.

(4) If at the time of initial application the property is unoccupied, or subsequent to the initial application the property is unoccupied because of renovations, and the property is not currently being used for the exempt purpose authorized by this section but will be used for the exempt purpose within two assessment years, the property shall be eligible for a property tax exemption for the assessment year in which the claim for exemption is submitted under the following conditions:

(a) A commitment for financing to acquire, construct, renovate, or otherwise convert the property to provide housing for very low-income households has been obtained, in whole or in part, by the nonprofit entity claiming the exemption from:

(i) A federal or state housing program administered by the department of community, trade, and economic development; or

(ii) An affordable housing levy authorized under RCW 84.52.105;

(b) The nonprofit entity has manifested its intent in writing to construct, remodel, or otherwise convert the property to housing for very low-income households; and

(c) Only the portion of property that will be used to provide housing or lots for very low-income households shall be exempt under this section.

~~((4))~~ (5) To be exempt under this section, the property must be used exclusively for the purposes for which the exemption is granted, except as provided in RCW 84.36.805.

~~((5))~~ (6) The nonprofit entity qualifying for ((the)) a property tax exemption under this section ((by providing rental housing for very low-income households)) may agree to make payments to the city, county, or other political subdivision for improvements, services, and facilities furnished by the city, county, or political subdivision for the benefit of the rental housing. However, these payments shall

not exceed the amount last levied as the annual tax of the city, county, or political subdivision upon the property prior to exemption.

~~((6))~~ (7) As used in this section:

(a) "Group home" means a single-family dwelling financed, in whole or in part, by the department of community, trade, and economic development or by an affordable housing levy under RCW 84.52.105. The residents of a group home shall not be considered to jointly constitute a household, but each resident shall be considered to be a separate household occupying a separate dwelling unit. The individual incomes of the residents shall not be aggregated for purposes of this exemption;

(b) "Mobile home lot" or "mobile home park" means the same as these terms are defined in RCW 59.20.030;

(c) "Occupied dwelling unit" means a living unit that is occupied by an individual or household as of December 31st of the first assessment year the rental housing becomes operational or is occupied by an individual or household on January 1st of ~~((the))~~ each subsequent assessment year in which the claim for exemption is submitted. If the housing facility is comprised of three or fewer dwelling units and there are any unoccupied units on January 1st, the department shall base the amount of the exemption upon the number of occupied dwelling units as of December 31st of the first assessment year the rental housing becomes operational and on May 1st of each subsequent assessment year in which the claim for exemption is submitted;

~~((b))~~ (d) "Rental housing" means a residential housing facility or group home that is occupied but not owned by very low-income households;

~~((c))~~ (e) "Very low-income household((s))" means a single person, family, or unrelated persons living together whose income is at or below fifty percent of the median income adjusted for family size as most recently determined by the federal department of housing and urban development for the county in which the rental housing is located and in effect as of January 1st of the year the application for exemption is submitted; and

~~((d))~~ (f) "Nonprofit entity" means a:

(i) Nonprofit as defined in RCW 84.36.800 ~~((and includes a))~~ that is exempt from income tax under section 501(c) of the federal internal revenue code;

(ii) Limited partnership where ~~((the))~~ a nonprofit ~~((or))~~ as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code, a public corporation established under RCW 35.21.660, 35.21.670, ~~((and))~~ or 35.21.730, a housing authority created under RCW 35.82.030 or 35.82.300, or a housing authority meeting the definition in RCW 35.82.210(2)(a) is a general partner~~((;))~~; or ~~((a))~~

(iii) Limited liability company where ~~((the))~~ a nonprofit ~~((or the))~~ as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code, a public corporation established under RCW 35.21.660, 35.21.670, or 35.21.730, a housing authority established under RCW

35.82.030 or 35.82.300, or a housing authority meeting the definition in RCW 35.82.210(2)(a) is a managing member.

Sec. 2. RCW 84.36.805 and 1999 c 203 s 2 and 1999 c 139 s 3 are each reenacted and amended to read as follows:

(1) In order to qualify for an exemption under this chapter and RCW 84.36.560, the nonprofit organizations, associations, or corporations must satisfy the conditions in this section.

(2) The property must be used exclusively for the actual operation of the activity for which exemption is granted, unless otherwise provided, and does not exceed an amount reasonably necessary for that purpose, except:

(a) The loan or rental of the property does not subject the property to tax if:

(i) The rents and donations received for the use of the portion of the property are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented; and

(ii) Except for the exemptions under RCW 84.36.030(4) and 84.36.037, the property would be exempt from tax if owned by the organization to which it is loaned or rented;

(b) The use of the property for fund-raising activities does not subject the property to tax if the fund-raising activities are consistent with the purposes for which the exemption is granted.

(3) The property must be irrevocably dedicated to the purpose for which exemption has been granted, and on the liquidation, dissolution, or abandonment by said organization, association, or corporation, said property will not inure directly or indirectly to the benefit of any shareholder or individual, except a nonprofit organization, association, or corporation which too would be entitled to property tax exemption. This property need not be irrevocably dedicated if it is leased or rented to those qualified for exemption under this chapter or RCW 84.36.560 for leased property, but only if under the terms of the lease or rental agreement the nonprofit organization, association, or corporation receives the benefit of the exemption.

(4) The facilities and services must be available to all regardless of race, color, national origin or ancestry.

(5) The organization, association, or corporation must be duly licensed or certified where such licensing or certification is required by law or regulation.

(6) Property sold to organizations, associations, or corporations with an option to be repurchased by the seller shall not qualify for exempt status. This subsection does not apply to property sold to a nonprofit entity, as defined in RCW 84.36.560(7), by:

(a) A nonprofit as defined in RCW 84.36.800 that is exempt from income tax under section 501(c) of the federal internal revenue code;

(b) A governmental entity established under RCW 35.21.660, 35.21.670, or 35.21.730;

(c) A housing authority created under RCW 35.82.030;

(d) A housing authority meeting the definition in RCW 35.82.210(2)(a); or

(e) A housing authority established under RCW 35.82.300.

(7) The department shall have access to its books in order to determine whether the nonprofit organization, association, or corporation is exempt from taxes under this chapter and RCW 84.36.560.

(8) This section does not apply to exemptions granted under RCW 84.36.020, 84.36.032, 84.36.250, and 84.36.260.

Passed the House May 24, 2001.

Passed the Senate May 24, 2001.

Approved by the Governor June 11, 2001.

Filed in Office of Secretary of State June 11, 2001.

CHAPTER 8

[Substitute House Bill 2242]

MEDICAID NURSING HOME RATES

AN ACT Relating to medicaid nursing home rates; amending RCW 74.46.020, 74.46.165, 74.46.410, 74.46.421, 74.46.431, 74.46.433, 74.46.435, 74.46.437, 74.46.501, 74.46.515, 74.46.521, 74.46.711, and 70.38.115; amending 1998 c 322 s 47 (uncodified); reenacting and amending RCW 74.46.506 and 74.46.511; adding new sections to chapter 74.46 RCW; creating a new section; repealing RCW 74.46.908; providing effective dates; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.46.020 and 1999 c 353 s 1 are each amended to read as follows:

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

(1) "Accrual method of accounting" means a method of accounting in which revenues are reported in the period when they are earned, regardless of when they are collected, and expenses are reported in the period in which they are incurred, regardless of when they are paid.

(2) "Appraisal" means the process of estimating the fair market value or reconstructing the historical cost of an asset acquired in a past period as performed by a professionally designated real estate appraiser with no pecuniary interest in the property to be appraised. It includes a systematic, analytic determination and the recording and analyzing of property facts, rights, investments, and values based on a personal inspection and inventory of the property.

(3) "Arm's-length transaction" means a transaction resulting from good-faith bargaining between a buyer and seller who are not related organizations and have adverse positions in the market place. Sales or exchanges of nursing home facilities among two or more parties in which all parties subsequently continue to own one or more of the facilities involved in the transactions shall not be considered as arm's-length transactions for purposes of this chapter. Sale of a nursing home facility which is subsequently leased back to the seller within five years of the date of sale shall not be considered as an arm's-length transaction for purposes of this chapter.

(4) "Assets" means economic resources of the contractor, recognized and measured in conformity with generally accepted accounting principles.

(5) "Audit" or "department audit" means an examination of the records of a nursing facility participating in the medicaid payment system, including but not limited to: The contractor's financial and statistical records, cost reports and all supporting documentation and schedules, receivables, and resident trust funds, to be performed as deemed necessary by the department and according to department rule.

(6) "Bad debts" means amounts considered to be uncollectible from accounts and notes receivable.

(7) "Beneficial owner" means:

(a) Any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares:

(i) Voting power which includes the power to vote, or to direct the voting of such ownership interest; and/or

(ii) Investment power which includes the power to dispose, or to direct the disposition of such ownership interest;

(b) Any person who, directly or indirectly, creates or uses a trust, proxy, power of attorney, pooling arrangement, or any other contract, arrangement, or device with the purpose or effect of divesting himself or herself of beneficial ownership of an ownership interest or preventing the vesting of such beneficial ownership as part of a plan or scheme to evade the reporting requirements of this chapter;

(c) Any person who, subject to (b) of this subsection, has the right to acquire beneficial ownership of such ownership interest within sixty days, including but not limited to any right to acquire:

(i) Through the exercise of any option, warrant, or right;

(ii) Through the conversion of an ownership interest;

(iii) Pursuant to the power to revoke a trust, discretionary account, or similar arrangement; or

(iv) Pursuant to the automatic termination of a trust, discretionary account, or similar arrangement;

except that, any person who acquires an ownership interest or power specified in (c)(i), (ii), or (iii) of this subsection with the purpose or effect of changing or influencing the control of the contractor, or in connection with or as a participant in any transaction having such purpose or effect, immediately upon such acquisition shall be deemed to be the beneficial owner of the ownership interest which may be acquired through the exercise or conversion of such ownership interest or power;

(d) Any person who in the ordinary course of business is a pledgee of ownership interest under a written pledge agreement shall not be deemed to be the beneficial owner of such pledged ownership interest until the pledgee has taken all formal steps necessary which are required to declare a default and determines

that the power to vote or to direct the vote or to dispose or to direct the disposition of such pledged ownership interest will be exercised; except that:

(i) The pledgee agreement is bona fide and was not entered into with the purpose nor with the effect of changing or influencing the control of the contractor, nor in connection with any transaction having such purpose or effect, including persons meeting the conditions set forth in (b) of this subsection; and

(ii) The pledgee agreement, prior to default, does not grant to the pledgee:

(A) The power to vote or to direct the vote of the pledged ownership interest;

or

(B) The power to dispose or direct the disposition of the pledged ownership interest, other than the grant of such power(s) pursuant to a pledge agreement under which credit is extended and in which the pledgee is a broker or dealer.

~~(8) ("Capital portion of the rate" means the sum of the property and financing allowance rate allocations, as established in part E of this chapter.~~

~~—(9)) "Capitalization" means the recording of an expenditure as an asset.~~

~~((+0)) (9) "Case mix" means a measure of the intensity of care and services needed by the residents of a nursing facility or a group of residents in the facility.~~

~~((+1)) (10) "Case mix index" means a number representing the average case mix of a nursing facility.~~

~~((+2)) (11) "Case mix weight" means a numeric score that identifies the relative resources used by a particular group of a nursing facility's residents.~~

(12) "Certificate of capital authorization" means a certification from the department for an allocation from the biennial capital financing authorization for all new or replacement building construction, or for major renovation projects, receiving a certificate of need or a certificate of need exemption under chapter 70.38 RCW after July 1, 2001.

(13) "Contractor" means a person or entity licensed under chapter 18.51 RCW to operate a medicare and medicaid certified nursing facility, responsible for operational decisions, and contracting with the department to provide services to medicaid recipients residing in the facility.

(14) "Default case" means no initial assessment has been completed for a resident and transmitted to the department by the cut-off date, or an assessment is otherwise past due for the resident, under state and federal requirements.

(15) "Department" means the department of social and health services (DSHS) and its employees.

(16) "Depreciation" means the systematic distribution of the cost or other basis of tangible assets, less salvage, over the estimated useful life of the assets.

(17) "Direct care" means nursing care and related care provided to nursing facility residents. Therapy care shall not be considered part of direct care.

(18) "Direct care supplies" means medical, pharmaceutical, and other supplies required for the direct care of a nursing facility's residents.

(19) "Entity" means an individual, partnership, corporation, limited liability company, or any other association of individuals capable of entering enforceable contracts.

(20) "Equity" means the net book value of all tangible and intangible assets less the recorded value of all liabilities, as recognized and measured in conformity with generally accepted accounting principles.

(21) "Essential community provider" means a facility which is the only nursing facility within a commuting distance radius of at least forty minutes duration, traveling by automobile.

(22) "Facility" or "nursing facility" means a nursing home licensed in accordance with chapter 18.51 RCW, excepting nursing homes certified as institutions for mental diseases, or that portion of a multiservice facility licensed as a nursing home, or that portion of a hospital licensed in accordance with chapter 70.41 RCW which operates as a nursing home.

~~((22))~~ (23) "Fair market value" means the replacement cost of an asset less observed physical depreciation on the date for which the market value is being determined.

~~((23))~~ (24) "Financial statements" means statements prepared and presented in conformity with generally accepted accounting principles including, but not limited to, balance sheet, statement of operations, statement of changes in financial position, and related notes.

~~((24))~~ (25) "Generally accepted accounting principles" means accounting principles approved by the financial accounting standards board (FASB).

~~((25))~~ (26) "Goodwill" means the excess of the price paid for a nursing facility business over the fair market value of all net identifiable tangible and intangible assets acquired, as measured in accordance with generally accepted accounting principles.

~~((26))~~ (27) "Grouper" means a computer software product that groups individual nursing facility residents into case mix classification groups based on specific resident assessment data and computer logic.

~~((27))~~ (28) "High labor-cost county" means an urban county in which the median allowable facility cost per case mix unit is more than ten percent higher than the median allowable facility cost per case mix unit among all other urban counties, excluding that county.

(29) "Historical cost" means the actual cost incurred in acquiring and preparing an asset for use, including feasibility studies, architect's fees, and engineering studies.

~~((28))~~ (30) "Home and central office costs" means costs that are incurred in the support and operation of a home and central office. Home and central office costs include centralized services that are performed in support of a nursing facility. The department may exclude from this definition costs that are nonduplicative, documented, ordinary, necessary, and related to the provision of care services to authorized patients.

(31) "Imprest fund" means a fund which is regularly replenished in exactly the amount expended from it.

~~((29))~~ (32) "Joint facility costs" means any costs which represent resources which benefit more than one facility, or one facility and any other entity.

~~((30))~~ (33) "Lease agreement" means a contract between two parties for the possession and use of real or personal property or assets for a specified period of time in exchange for specified periodic payments. Elimination (due to any cause other than death or divorce) or addition of any party to the contract, expiration, or modification of any lease term in effect on January 1, 1980, or termination of the lease by either party by any means shall constitute a termination of the lease agreement. An extension or renewal of a lease agreement, whether or not pursuant to a renewal provision in the lease agreement, shall be considered a new lease agreement. A strictly formal change in the lease agreement which modifies the method, frequency, or manner in which the lease payments are made, but does not increase the total lease payment obligation of the lessee, shall not be considered modification of a lease term.

~~((31))~~ (34) "Medical care program" or "medicaid program" means medical assistance, including nursing care, provided under RCW 74.09.500 or authorized state medical care services.

~~((32))~~ (35) "Medical care recipient," "medicaid recipient," or "recipient" means an individual determined eligible by the department for the services provided under chapter 74.09 RCW.

~~((33))~~ (36) "Minimum data set" means the overall data component of the resident assessment instrument, indicating the strengths, needs, and preferences of an individual nursing facility resident.

~~((34))~~ (37) "Net book value" means the historical cost of an asset less accumulated depreciation.

~~((35))~~ (38) "Net invested funds" means the net book value of tangible fixed assets employed by a contractor to provide services under the medical care program, including land, buildings, and equipment as recognized and measured in conformity with generally accepted accounting principles.

~~((36))~~ "Noncapital portion of the rate" means the sum of the direct care, therapy care, operations, support services, and variable return rate allocations, as established in part E of this chapter.

~~((37))~~ (39) "Nonurban county" means a county which is not located in a metropolitan statistical area as determined and defined by the United States office of management and budget or other appropriate agency or office of the federal government.

(40) "Operating lease" means a lease under which rental or lease expenses are included in current expenses in accordance with generally accepted accounting principles.

~~((38))~~ (41) "Owner" means a sole proprietor, general or limited partners, members of a limited liability company, and beneficial interest holders of five percent or more of a corporation's outstanding stock.

~~((39))~~ (42) "Ownership interest" means all interests beneficially owned by a person, calculated in the aggregate, regardless of the form which such beneficial ownership takes.

~~((40))~~ (43) "Patient day" or "resident day" means a calendar day of care provided to a nursing facility resident, regardless of payment source, which will include the day of admission and exclude the day of discharge; except that, when admission and discharge occur on the same day, one day of care shall be deemed to exist. A "medicaid day" or "recipient day" means a calendar day of care provided to a medicaid recipient determined eligible by the department for services provided under chapter 74.09 RCW, subject to the same conditions regarding admission and discharge applicable to a patient day or resident day of care.

~~((41))~~ (44) "Professionally designated real estate appraiser" means an individual who is regularly engaged in the business of providing real estate valuation services for a fee, and who is deemed qualified by a nationally recognized real estate appraisal educational organization on the basis of extensive practical appraisal experience, including the writing of real estate valuation reports as well as the passing of written examinations on valuation practice and theory, and who by virtue of membership in such organization is required to subscribe and adhere to certain standards of professional practice as such organization prescribes.

~~((42))~~ (45) "Qualified therapist" means:

(a) A mental health professional as defined by chapter 71.05 RCW;

(b) A mental retardation professional who is a therapist approved by the department who has had specialized training or one year's experience in treating or working with the mentally retarded or developmentally disabled;

(c) A speech pathologist who is eligible for a certificate of clinical competence in speech pathology or who has the equivalent education and clinical experience;

(d) A physical therapist as defined by chapter 18.74 RCW;

(e) An occupational therapist who is a graduate of a program in occupational therapy, or who has the equivalent of such education or training; and

(f) A respiratory care practitioner certified under chapter 18.89 RCW.

~~((43))~~ (46) "Rate" or "rate allocation" means the medicaid per-patient-day payment amount for medicaid patients calculated in accordance with the allocation methodology set forth in part E of this chapter.

~~((44))~~ (47) "Real property," whether leased or owned by the contractor, means the building, allowable land, land improvements, and building improvements associated with a nursing facility.

~~((45))~~ (48) "Rebased rate" or "cost-rebased rate" means a facility-specific component rate assigned to a nursing facility for a particular rate period established on desk-reviewed, adjusted costs reported for that facility covering at least six months of a prior calendar year designated as a year to be used for cost-rebasing payment rate allocations under the provisions of this chapter.

~~((46))~~ (49) "Records" means those data supporting all financial statements and cost reports including, but not limited to, all general and subsidiary ledgers, books of original entry, and transaction documentation, however such data are maintained.

~~((47))~~ (50) "Related organization" means an entity which is under common ownership and/or control with, or has control of, or is controlled by, the contractor.

(a) "Common ownership" exists when an entity is the beneficial owner of five percent or more ownership interest in the contractor and any other entity.

(b) "Control" exists where an entity has the power, directly or indirectly, significantly to influence or direct the actions or policies of an organization or institution, whether or not it is legally enforceable and however it is exercisable or exercised.

~~((48))~~ (51) "Related care" means only those services that are directly related to providing direct care to nursing facility residents. These services include, but are not limited to, nursing direction and supervision, medical direction, medical records, pharmacy services, activities, and social services.

~~((49))~~ (52) "Resident assessment instrument," including federally approved modifications for use in this state, means a federally mandated, comprehensive nursing facility resident care planning and assessment tool, consisting of the minimum data set and resident assessment protocols.

~~((50))~~ (53) "Resident assessment protocols" means those components of the resident assessment instrument that use the minimum data set to trigger or flag a resident's potential problems and risk areas.

~~((51))~~ (54) "Resource utilization groups" means a case mix classification system that identifies relative resources needed to care for an individual nursing facility resident.

~~((52))~~ (55) "Restricted fund" means those funds the principal and/or income of which is limited by agreement with or direction of the donor to a specific purpose.

~~((53))~~ (56) "Secretary" means the secretary of the department of social and health services.

~~((54))~~ (57) "Support services" means food, food preparation, dietary, housekeeping, and laundry services provided to nursing facility residents.

~~((55))~~ (58) "Therapy care" means those services required by a nursing facility resident's comprehensive assessment and plan of care, that are provided by qualified therapists, or support personnel under their supervision, including related costs as designated by the department.

~~((56))~~ (59) "Title XIX" or "medicaid" means the 1965 amendments to the social security act, P.L. 89-07, as amended and the medicaid program administered by the department.

(60) "Urban county" means a county which is located in a metropolitan statistical area as determined and defined by the United States office of management and budget or other appropriate agency or office of the federal government.

Sec. 2. RCW 74.46.165 and 1998 c 322 s 10 are each amended to read as follows:

(1) Contractors shall be required to submit with each annual nursing facility cost report a proposed settlement report showing underspending or overspending in each component rate during the cost report year on a per-resident day basis. The department shall accept or reject the proposed settlement report, explain any adjustments, and issue a revised settlement report if needed.

(2) Contractors shall not be required to refund payments made in the operations, variable return, property, and ~~((return on investment))~~ financing allowance component rates in excess of the adjusted costs of providing services corresponding to these components.

(3) The facility will return to the department any overpayment amounts in each of the direct care, therapy care, and support services rate components that the department identifies following the audit and settlement procedures as described in this chapter, provided that the contractor may retain any overpayment that does not exceed 1.0% of the facility's direct care, therapy care, and support services component rate. However, no overpayments may be retained in a cost center to which savings have been shifted to cover a deficit, as provided in subsection (4) of this section. Facilities that are not in substantial compliance for more than ninety days, and facilities that provide substandard quality of care at any time, during the period for which settlement is being calculated, will not be allowed to retain any amount of overpayment in the facility's direct care, therapy care, and support services component rate. The terms "not in substantial compliance" and "substandard quality of care" shall be defined by federal survey regulations.

(4) Determination of unused rate funds, including the amounts of direct care, therapy care, and support services to be recovered, shall be done separately for each component rate, and, except as otherwise provided in this subsection, neither costs nor rate payments shall be shifted from one component rate or corresponding service area to another in determining the degree of underspending or recovery, if any. ~~((However,))~~ In computing a preliminary or final settlement, savings in the support services cost center ~~((may))~~ shall be shifted to cover a deficit in the direct care or therapy cost centers up to the amount of any savings ~~((Not more than twenty percent of the rate in a cost center may be shifted))~~, but no more than twenty percent of the support services component rate may be shifted. In computing a preliminary or final settlement, savings in direct care and therapy care may be shifted to cover a deficit in these two cost centers up to the amount of savings in each, regardless of the percentage of either component rate shifted. Contractor-retained overpayments up to one percent of direct care, therapy care, and support services rate components, as authorized in subsection (3) of this section, shall be calculated and applied after all shifting is completed.

(5) Total and component payment rates assigned to a nursing facility, as calculated and revised, if needed, under the provisions of this chapter and those rules as the department may adopt, shall represent the maximum payment for nursing facility services rendered to medicaid recipients for the period the rates are in effect. No increase in payment to a contractor shall result from spending above the total payment rate or in any rate component.

(6) RCW 74.46.150 through 74.46.180, and rules adopted by the department prior to July 1, 1998, shall continue to govern the medicaid settlement process for periods prior to October 1, 1998, as if these statutes and rules remained in full force and effect.

(7) For calendar year 1998, the department shall calculate split settlements covering January 1, 1998, through September 30, 1998, and October 1, 1998, through December 31, 1998. For the period beginning October 1, 1998, rules specified in this chapter shall apply. The department shall, by rule, determine the division of calendar year 1998 adjusted costs for settlement purposes.

Sec. 3. RCW 74.46.410 and 1998 c 322 s 17 are each amended to read as follows:

(1) Costs will be unallowable if they are not documented, necessary, ordinary, and related to the provision of care services to authorized patients.

(2) Unallowable costs include, but are not limited to, the following:

(a) Costs of items or services not covered by the medical care program. Costs of such items or services will be unallowable even if they are indirectly reimbursed by the department as the result of an authorized reduction in patient contribution;

(b) Costs of services and items provided to recipients which are covered by the department's medical care program but not included in the medicaid per-resident day payment rate established by the department under this chapter;

(c) Costs associated with a capital expenditure subject to section 1122 approval (part 100, Title 42 C.F.R.) if the department found it was not consistent with applicable standards, criteria, or plans. If the department was not given timely notice of a proposed capital expenditure, all associated costs will be unallowable up to the date they are determined to be reimbursable under applicable federal regulations;

(d) Costs associated with a construction or acquisition project requiring certificate of need approval, or exemption from the requirements for certificate of need for the replacement of existing nursing home beds, pursuant to chapter 70.38 RCW if such approval or exemption was not obtained;

(e) Interest costs other than those provided by RCW 74.46.290 on and after January 1, 1985;

(f) Salaries or other compensation of owners, officers, directors, stockholders, partners, principals, participants, and others associated with the contractor or its home office, including all board of directors' fees for any purpose, except reasonable compensation paid for service related to patient care;

(g) Costs in excess of limits or in violation of principles set forth in this chapter;

(h) Costs resulting from transactions or the application of accounting methods which circumvent the principles of the payment system set forth in this chapter;

(i) Costs applicable to services, facilities, and supplies furnished by a related organization in excess of the lower of the cost to the related organization or the price of comparable services, facilities, or supplies purchased elsewhere;

(j) Bad debts of non-Title XIX recipients. Bad debts of Title XIX recipients are allowable if the debt is related to covered services, it arises from the recipient's required contribution toward the cost of care, the provider can establish that reasonable collection efforts were made, the debt was actually uncollectible when claimed as worthless, and sound business judgment established that there was no likelihood of recovery at any time in the future;

(k) Charity and courtesy allowances;

(l) Cash, assessments, or other contributions, excluding dues, to charitable organizations, professional organizations, trade associations, or political parties, and costs incurred to improve community or public relations;

(m) Vending machine expenses;

(n) Expenses for barber or beautician services not included in routine care;

(o) Funeral and burial expenses;

(p) Costs of gift shop operations and inventory;

(q) Personal items such as cosmetics, smoking materials, newspapers and magazines, and clothing, except those used in patient activity programs;

(r) Fund-raising expenses, except those directly related to the patient activity program;

(s) Penalties and fines;

(t) Expenses related to telephones, ~~((televisions;))~~ radios, and similar appliances in patients' private accommodations;

(u) Televisions acquired prior to July 1, 2001;

(v) Federal, state, and other income taxes;

~~((w))~~ (w) Costs of special care services except where authorized by the department;

~~((x))~~ (x) Expenses of an employee benefit not in fact made available to all employees on an equal or fair basis, for example, key-man insurance and other insurance or retirement plans;

~~((y))~~ (y) Expenses of profit-sharing plans;

~~((z))~~ (z) Expenses related to the purchase and/or use of private or commercial airplanes which are in excess of what a prudent contractor would expend for the ordinary and economic provision of such a transportation need related to patient care;

~~((aa))~~ (aa) Personal expenses and allowances of owners or relatives;

~~((ab))~~ (bb) All expenses of maintaining professional licenses or membership in professional organizations;

~~((ac))~~ (cc) Costs related to agreements not to compete;

~~((ad))~~ (dd) Amortization of goodwill, lease acquisition, or any other intangible asset, whether related to resident care or not, and whether recognized under generally accepted accounting principles or not;

~~((ae))~~ (ee) Expenses related to vehicles which are in excess of what a prudent contractor would expend for the ordinary and economic provision of transportation needs related to patient care;

~~((cc))~~ (ff) Legal and consultant fees in connection with a fair hearing against the department where a decision is rendered in favor of the department or where otherwise the determination of the department stands;

~~((ff))~~ (gg) Legal and consultant fees of a contractor or contractors in connection with a lawsuit against the department;

~~((gg))~~ (hh) Lease acquisition costs, goodwill, the cost of bed rights, or any other intangible assets;

~~((hh))~~ (ii) All rental or lease costs other than those provided in RCW 74.46.300 on and after January 1, 1985;

~~((ii))~~ (jj) Postsurvey charges incurred by the facility as a result of subsequent inspections under RCW 18.51.050 which occur beyond the first postsurvey visit during the certification survey calendar year;

~~((jj))~~ (kk) Compensation paid for any purchased nursing care services, including registered nurse, licensed practical nurse, and nurse assistant services, obtained through service contract arrangement in excess of the amount of compensation paid for such hours of nursing care service had they been paid at the average hourly wage, including related taxes and benefits, for in-house nursing care staff of like classification at the same nursing facility, as reported in the most recent cost report period;

~~((kk))~~ (ll) For all partial or whole rate periods after July 17, 1984, costs of land and depreciable assets that cannot be reimbursed under the Deficit Reduction Act of 1984 and implementing state statutory and regulatory provisions;

~~((ll))~~ (mm) Costs reported by the contractor for a prior period to the extent such costs, due to statutory exemption, will not be incurred by the contractor in the period to be covered by the rate;

~~((mm))~~ (nn) Costs of outside activities, for example, costs allocated to the use of a vehicle for personal purposes or related to the part of a facility leased out for office space;

~~((nn))~~ (oo) Travel expenses outside the states of Idaho, Oregon, and Washington and the province of British Columbia. However, travel to or from the home or central office of a chain organization operating a nursing facility is allowed whether inside or outside these areas if the travel is necessary, ordinary, and related to resident care;

~~((oo))~~ (pp) Moving expenses of employees in the absence of demonstrated, good-faith effort to recruit within the states of Idaho, Oregon, and Washington, and the province of British Columbia;

~~((pp))~~ (qq) Depreciation in excess of four thousand dollars per year for each passenger car or other vehicle primarily used by the administrator, facility staff, or central office staff;

~~((qq))~~ (rr) Costs for temporary health care personnel from a nursing pool not registered with the secretary of the department of health;

~~((rr))~~ (ss) Payroll taxes associated with compensation in excess of allowable compensation of owners, relatives, and administrative personnel;

~~((ss))~~ (tt) Costs and fees associated with filing a petition for bankruptcy;

~~((tt))~~ (uu) All advertising or promotional costs, except reasonable costs of help wanted advertising;

~~((ttt))~~ (vv) Outside consultation expenses required to meet department-required minimum data set completion proficiency;

~~((vvt))~~ (ww) Interest charges assessed by any department or agency of this state for failure to make a timely refund of overpayments and interest expenses incurred for loans obtained to make the refunds;

~~((ww))~~ (xx) All home office or central office costs, whether on or off the nursing facility premises, and whether allocated or not to specific services, in excess of the median of those adjusted costs for all facilities reporting such costs for the most recent report period; and

~~((xx))~~ (yy) Tax expenses that a nursing facility has never incurred.

Sec. 4. RCW 74.46.421 and 1999 c 353 s 3 are each amended to read as follows:

(1) The purpose of part E of this chapter is to determine nursing facility medicaid payment rates that, in the aggregate for all participating nursing facilities, are in accordance with the biennial appropriations act.

(2)(a) The department shall use the nursing facility medicaid payment rate methodologies described in this chapter to determine initial component rate allocations for each medicaid nursing facility.

(b) The initial component rate allocations shall be subject to adjustment as provided in this section in order to assure that the statewide average payment rate to nursing facilities is less than or equal to the statewide average payment rate specified in the biennial appropriations act.

(3) Nothing in this chapter shall be construed as creating a legal right or entitlement to any payment that (a) has not been adjusted under this section or (b) would cause the statewide average payment rate to exceed the statewide average payment rate specified in the biennial appropriations act.

~~(4)((a) The statewide average payment rate for the capital portion of the rate for any state fiscal year under the nursing facility medicaid payment system; weighted by patient days, shall not exceed the annual statewide weighted average nursing facility payment rate for the capital portion of the rate identified for that fiscal year in the biennial appropriations act.~~

~~(b) If the department determines that the weighted average nursing facility payment rate for the capital portion of the rate calculated in accordance with this chapter is likely to exceed the weighted average nursing facility payment rate for the capital portion of the rate identified in the biennial appropriations act, then the department shall adjust all nursing facility property and financing allowance payment rates proportional to the amount by which the weighted average rate allocations would otherwise exceed the budgeted capital portion of the rate amount. Any such adjustments shall only be made prospectively, not retrospectively, and shall be applied proportionately to each component rate allocation for each facility.~~

~~(5))~~(a) The statewide average payment rate ~~((for the noncapital portion of the rate))~~ for any state fiscal year under the nursing facility payment system, weighted by patient days, shall not exceed the annual statewide weighted average nursing facility payment rate ~~((for the noncapital portion of the rate))~~ identified for that fiscal year in the biennial appropriations act.

(b) If the department determines that the weighted average nursing facility payment rate ~~((for the noncapital portion of the rate))~~ calculated in accordance with this chapter is likely to exceed the weighted average nursing facility payment rate ~~((for the noncapital portion of the rate))~~ identified in the biennial appropriations act, then the department shall adjust all nursing facility ~~((direct care, therapy care, support services, operations, and variable return))~~ payment rates proportional to the amount by which the weighted average rate allocations would otherwise exceed the budgeted ~~((noncapital portion of the))~~ rate amount. Any such adjustments shall only be made prospectively, not retrospectively, and shall be applied proportionately to each ~~((direct care, therapy care, support services, operations, and variable return))~~ component rate allocation for each facility.

Sec. 5. RCW 74.46.43I and 1999 c 353 s 4 are each amended to read as follows:

(1) Effective July 1, 1999, nursing facility medicaid payment rate allocations shall be facility-specific and shall have seven components: Direct care, therapy care, support services, operations, property, financing allowance, and variable return. The department shall establish and adjust each of these components, as provided in this section and elsewhere in this chapter, for each medicaid nursing facility in this state.

(2) All component rate allocations for essential community providers as defined in this chapter shall be based upon a minimum facility occupancy of eighty-five percent of licensed beds, regardless of how many beds are set up or in use. For all facilities other than essential community providers, effective July 1, 2001, component rate allocations in direct care, therapy care, support services, variable return, operations, property, and financing allowance shall continue to be based upon a minimum facility occupancy of eighty-five percent of licensed beds. For all facilities other than essential community providers, effective July 1, 2002, the component rate allocations in operations, property, and financing allowance shall be based upon a minimum facility occupancy of ninety percent of licensed beds, regardless of how many beds are set up or in use.

(3) Information and data sources used in determining medicaid payment rate allocations, including formulas, procedures, cost report periods, resident assessment instrument formats, resident assessment methodologies, and resident classification and case mix weighting methodologies, may be substituted or altered from time to time as determined by the department.

(4)(a) Direct care component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 will be used for October 1, 1998, through June 30, 2001, direct care

component rate allocations; adjusted cost report data from 1999 will be used for July 1, 2001, through June 30, 2004, direct care component rate allocations.

(b) Direct care component rate allocations based on 1996 cost report data shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose direct care component rate is set equal to their adjusted June 30, 1998, rate, as provided in RCW 74.46.506(5)(~~(i)~~) (i).

(c) Direct care component rate allocations based on 1999 cost report data shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose direct care component rate is set equal to their adjusted June 30, 1998, rate, as provided in RCW 74.46.506(5)(~~(i)~~) (i).

(5)(a) Therapy care component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 will be used for October 1, 1998, through June 30, 2001, therapy care component rate allocations; adjusted cost report data from 1999 will be used for July 1, 2001, through June 30, 2004, therapy care component rate allocations.

(b) Therapy care component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(6)(a) Support services component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 shall be used for October 1, 1998, through June 30, 2001, support services component rate allocations; adjusted cost report data from 1999 shall be used for July 1, 2001, through June 30, 2004, support services component rate allocations.

(b) Support services component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(7)(a) Operations component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 shall be used for October 1, 1998, through June 30, 2001, operations component rate allocations; adjusted cost report data from 1999 shall be used for July 1, 2001, through June 30, 2004, operations component rate allocations.

(b) Operations component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(8) For July 1, 1998, through September 30, 1998, a facility's property and return on investment component rates shall be the facility's June 30, 1998, property and return on investment component rates, without increase. For October 1, 1998, through June 30, 1999, a facility's property and return on investment

component rates shall be rebased utilizing 1997 adjusted cost report data covering at least six months of data.

(9) Total payment rates under the nursing facility medicaid payment system shall not exceed facility rates charged to the general public for comparable services.

(10) Medicaid contractors shall pay to all facility staff a minimum wage of the greater of ~~((five dollars and fifteen cents per hour))~~ the state minimum wage or the federal minimum wage.

(11) The department shall establish in rule procedures, principles, and conditions for determining component rate allocations for facilities in circumstances not directly addressed by this chapter, including but not limited to: The need to prorate inflation for partial-period cost report data, newly constructed facilities, existing facilities entering the medicaid program for the first time or after a period of absence from the program, existing facilities with expanded new bed capacity, existing medicaid facilities following a change of ownership of the nursing facility business, facilities banking beds or converting beds back into service, facilities temporarily reducing the number of set-up beds during a remodel, facilities having less than six months of either resident assessment, cost report data, or both, under the current contractor prior to rate setting, and other circumstances.

(12) The department shall establish in rule procedures, principles, and conditions, including necessary threshold costs, for adjusting rates to reflect capital improvements or new requirements imposed by the department or the federal government. Any such rate adjustments are subject to the provisions of RCW 74.46.421.

(13) Effective July 1, 2001, medicaid rates shall continue to be revised downward in all components, in accordance with department rules, for facilities converting banked beds to active service under chapter 70.38 RCW, by using the facility's increased licensed bed capacity to recalculate minimum occupancy for rate setting. However, for facilities other than essential community providers which bank beds under chapter 70.38 RCW, after May 25, 2001, medicaid rates shall be revised upward, in accordance with department rules, in direct care, therapy care, support services, and variable return components only, by using the facility's decreased licensed bed capacity to recalculate minimum occupancy for rate setting, but no upward revision shall be made to operations, property, or financing allowance component rates.

(14) Facilities obtaining a certificate of need or a certificate of need exemption under chapter 70.38 RCW after June 30, 2001, must have a certificate of capital authorization in order for (a) the depreciation resulting from the capitalized addition to be included in calculation of the facility's property component rate allocation; and (b) the net invested funds associated with the capitalized addition to be included in calculation of the facility's financing allowance rate allocation.

Sec. 6. RCW 74.46.433 and 1999 c 353 s 9 are each amended to read as follows:

(1) The department shall establish for each medicaid nursing facility a variable return component rate allocation. In determining the variable return allowance:

(a) ~~The variable return array and percentage ((assigned at the October 1, 1998, rate setting shall remain in effect until June 30, 2001)) shall be assigned whenever rebasing of noncapital rate allocations is scheduled under RCW 46.46.431 (4), (5), (6), and (7).~~

(b) To calculate the array of facilities for the July 1, 2001, rate setting, the department, without using peer groups, shall first rank all facilities in numerical order from highest to lowest according to each facility's examined and documented, but unlidded, combined direct care, therapy care, support services, and operations per resident day cost from the 1999 cost report period. However, before being combined with other per resident day costs and ranked, a facility's direct care cost per resident day shall be adjusted to reflect its facility average case mix index, to be averaged from the four calendar quarters of 1999, weighted by the facility's resident days from each quarter, under RCW 74.46.501(7)(b)(ii). The array shall then be divided into four quartiles, each containing, as nearly as possible, an equal number of facilities, and four percent shall be assigned to facilities in the lowest quartile, three percent to facilities in the next lowest quartile, two percent to facilities in the next highest quartile, and one percent to facilities in the highest quartile.

(c) The department shall ((then)), subject to (d) of this subsection, compute the variable return allowance by multiplying ((the appropriate)) a facility's assigned percentage ((amounts, which shall not be less than one percent and not greater than four percent;)) by the sum of the facility's direct care, therapy care, support services, and operations ((rate components. The percentage amounts will be based on groupings of facilities according to the rankings prescribed in (a) of this subsection, as applicable. Those groups of facilities with lower per diem costs shall receive higher percentage amounts than those with higher per diem costs)) component rates determined in accordance with this chapter and rules adopted by the department.

(d) Effective July 1, 2001, if a facility's examined and documented direct care cost per resident day for the preceding report year is lower than its average direct care component rate weighted by medicaid resident days for the same year, the facility's direct care cost shall be substituted for its July 1, 2001, direct care component rate, and its variable return component rate shall be determined or adjusted each July 1st by multiplying the facility's assigned percentage by the sum of the facility's July 1, 2001, therapy care, support services, and operations component rates, and its direct care cost per resident day for the preceding year.

(2) The variable return rate allocation calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

Sec. 7. RCW 74.46.435 and 1999 c 353 s 10 are each amended to read as follows:

(1) Effective July 1, 2001, the property component rate allocation for each facility shall be determined by dividing the sum of the reported allowable prior period actual depreciation, subject to RCW 74.46.310 through 74.46.380, adjusted for any capitalized additions or replacements approved by the department, and the retained savings from such cost center, by the greater of a facility's total resident days for the facility in the prior period or resident days as calculated on eighty-five percent facility occupancy. Effective July 1, 2002, the property component rate allocation for all facilities, except essential community providers, shall be set by using the greater of a facility's total resident days from the most recent cost report period or resident days calculated at ninety percent facility occupancy. If a capitalized addition or retirement of an asset will result in a different licensed bed capacity during the ensuing period, the prior period total resident days used in computing the property component rate shall be adjusted to anticipated resident day level.

(2) A nursing facility's property component rate allocation shall be rebased annually, effective July 1st (~~or October 1st as applicable~~), in accordance with this section and this chapter.

(3) When a certificate of need for a new facility is requested, the department, in reaching its decision, shall take into consideration per-bed land and building construction costs for the facility which shall not exceed a maximum to be established by the secretary.

(4) Effective July 1, 2001, for the purpose of calculating a nursing facility's property component rate, if a contractor (~~elects~~) has elected to bank licensed beds prior to April 1, 2001, or elects to convert banked beds to active service at any time, under chapter 70.38 RCW, the department shall use the facility's (~~anticipated resident occupancy level subsequent to the decrease or increase in licensed bed capacity~~) new licensed bed capacity to recalculate minimum occupancy for rate setting and revise the property component rate, as needed, effective as of the date the beds are banked or converted to active service. However, in no case shall the department use less than eighty-five percent occupancy of the facility's licensed bed capacity after banking or conversion. Effective July 1, 2002, in no case, other than essential community providers, shall the department use less than ninety percent occupancy of the facility's licensed bed capacity after conversion.

(5) The property component rate allocations calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

Sec. 8. RCW 74.46.437 and 1999 c 353 s 11 are each amended to read as follows:

(1) Beginning July 1, 1999, the department shall establish for each medicaid nursing facility a financing allowance component rate allocation. The financing allowance component rate shall be rebased annually, effective July 1st, in accordance with the provisions of this section and this chapter.

(2) Effective July 1, 2001, the financing allowance shall be determined by multiplying the net invested funds of each facility by .10, and dividing by the greater of a nursing facility's total resident days from the most recent cost report period or resident days calculated on eighty-five percent facility occupancy. Effective July 1, 2002, the financing allowance component rate allocation for all facilities, other than essential community providers, shall be set by using the greater of a facility's total resident days from the most recent cost report period or resident days calculated at ninety percent facility occupancy. However, assets acquired on or after May 17, 1999, shall be grouped in a separate financing allowance calculation that shall be multiplied by .085. The financing allowance factor of .085 shall not be applied to the net invested funds pertaining to new construction or major renovations receiving certificate of need approval or an exemption from certificate of need requirements under chapter 70.38 RCW, or to working drawings that have been submitted to the department of health for construction review approval, prior to May 17, 1999. If a capitalized addition, renovation, replacement, or retirement of an asset will result in a different licensed bed capacity during the ensuing period, the prior period total resident days used in computing the financing allowance shall be adjusted to the greater of the anticipated resident day level or eighty-five percent of the new licensed bed capacity. Effective July 1, 2002, for all facilities, other than essential community providers, the total resident days used to compute the financing allowance after a capitalized addition, renovation, replacement, or retirement of an asset shall be set by using the greater of a facility's total resident days from the most recent cost report period or resident days calculated at ninety percent facility occupancy.

(3) In computing the portion of net invested funds representing the net book value of tangible fixed assets, the same assets, depreciation bases, lives, and methods referred to in RCW 74.46.330, 74.46.350, 74.46.360, 74.46.370, and 74.46.380, including owned and leased assets, shall be utilized, except that the capitalized cost of land upon which the facility is located and such other contiguous land which is reasonable and necessary for use in the regular course of providing resident care shall also be included. Subject to provisions and limitations contained in this chapter, for land purchased by owners or lessors before July 18, 1984, capitalized cost of land shall be the buyer's capitalized cost. For all partial or whole rate periods after July 17, 1984, if the land is purchased after July 17, 1984, capitalized cost shall be that of the owner of record on July 17, 1984, or buyer's capitalized cost, whichever is lower. In the case of leased facilities where the net invested funds are unknown or the contractor is unable to provide necessary information to determine net invested funds, the secretary shall have the authority to determine an amount for net invested funds based on an appraisal conducted according to RCW 74.46.360(1).

(4) Effective July 1, 2001, for the purpose of calculating a nursing facility's financing allowance component rate, if a contractor (~~elects~~) has elected to bank licensed beds prior to May 25, 2001, or elects to convert banked beds to active service at any time, under chapter 70.38 RCW, the department shall use the

facility's (~~anticipated resident occupancy level subsequent to the decrease or increase in licensed bed capacity~~) new licensed bed capacity to recalculate minimum occupancy for rate setting and revise the financing allowance component rate, as needed, effective as of the date the beds are banked or converted to active service. However, in no case shall the department use less than eighty-five percent occupancy of the facility's licensed bed capacity after banking or conversion. Effective July 1, 2002, in no case, other than for essential community providers, shall the department use less than ninety percent occupancy of the facility's licensed bed capacity after conversion.

(5) The financing allowance rate allocation calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

Sec. 9. RCW 74.46.501 and 1998 c 322 s 24 are each amended to read as follows:

(1) From individual case mix weights for the applicable quarter, the department shall determine two average case mix indexes for each medicaid nursing facility, one for all residents in the facility, known as the facility average case mix index, and one for medicaid residents, known as the medicaid average case mix index.

(2)(a) In calculating a facility's two average case mix indexes for each quarter, the department shall include all residents or medicaid residents, as applicable, who were physically in the facility during the quarter in question (January 1st through March 31st, April 1st through June 30th, July 1st through September 30th, or October 1st through December 31st).

(b) The facility average case mix index shall exclude all default cases as defined in this chapter. However, the medicaid average case mix index shall include all default cases.

(3) Both the facility average and the medicaid average case mix indexes shall be determined by multiplying the case mix weight of each resident, or each medicaid resident, as applicable, by the number of days, as defined in this section and as applicable, the resident was at each particular case mix classification or group, and then averaging.

(4)(a) In determining the number of days a resident is classified into a particular case mix group, the department shall determine a start date for calculating case mix grouping periods as follows:

(i) If a resident's initial assessment for a first stay or a return stay in the nursing facility is timely completed and transmitted to the department by the cutoff date under state and federal requirements and as described in subsection (5) of this section, the start date shall be the later of either the first day of the quarter or the resident's facility admission or readmission date;

(ii) If a resident's significant change, quarterly, or annual assessment is timely completed and transmitted to the department by the cutoff date under state and federal requirements and as described in subsection (5) of this section, the start date shall be the date the assessment is completed;

(iii) If a resident's significant change, quarterly, or annual assessment is not timely completed and transmitted to the department by the cutoff date under state and federal requirements and as described in subsection (5) of this section, the start date shall be the due date for the assessment.

(b) If state or federal rules require more frequent assessment, the same principles for determining the start date of a resident's classification in a particular case mix group set forth in subsection (4)(a) of this section shall apply.

(c) In calculating the number of days a resident is classified into a particular case mix group, the department shall determine an end date for calculating case mix grouping periods as follows:

(i) If a resident is discharged before the end of the applicable quarter, the end date shall be the day before discharge;

(ii) If a resident is not discharged before the end of the applicable quarter, the end date shall be the last day of the quarter;

(iii) If a new assessment is due for a resident or a new assessment is completed and transmitted to the department, the end date of the previous assessment shall be the earlier of either the day before the assessment is due or the day before the assessment is completed by the nursing facility.

(5) The cutoff date for the department to use resident assessment data, for the purposes of calculating both the facility average and the medicaid average case mix indexes, and for establishing and updating a facility's direct care component rate, shall be one month and one day after the end of the quarter for which the resident assessment data applies.

(6) A threshold of ninety percent, as described and calculated in this subsection, shall be used to determine the case mix index each quarter. The threshold shall also be used to determine which facilities' costs per case mix unit are included in determining the ceiling, floor, and price. If the facility does not meet the ninety percent threshold, the department may use an alternate case mix index to determine the facility average and medicaid average case mix indexes for the quarter. The threshold is a count of unique minimum data set assessments, and it shall include resident assessment instrument tracking forms for residents discharged prior to completing an initial assessment. The threshold is calculated by dividing ~~((the)) a facility's count of ((unique minimum data set assessments))~~ residents being assessed by the average census for ~~((each)) the~~ facility. A daily census shall be reported by each nursing facility as it transmits assessment data to the department. The department shall compute a quarterly average census based on the daily census. If no census has been reported by a facility during a specified quarter, then the department shall use the facility's licensed beds as the denominator in computing the threshold.

(7)(a) Although the facility average and the medicaid average case mix indexes shall both be calculated quarterly, the facility average case mix index will be used only every three years in combination with cost report data as specified by RCW 74.46.431 and 74.46.506, to establish a facility's allowable cost per case mix

unit. A facility's medicaid average case mix index shall be used to update a nursing facility's direct care component rate quarterly.

(b) The facility average case mix index used to establish each nursing facility's direct care component rate shall be based on an average of calendar quarters of the facility's average case mix indexes.

(i) For October 1, 1998, direct care component rates, the department shall use an average of facility average case mix indexes from the four calendar quarters of 1997.

(ii) For July 1, 2001, direct care component rates, the department shall use an average of facility average case mix indexes from the four calendar quarters of 1999.

(c) The medicaid average case mix index used to update or recalibrate a nursing facility's direct care component rate quarterly shall be from the calendar quarter commencing six months prior to the effective date of the quarterly rate. For example, October 1, 1998, through December 31, 1998, direct care component rates shall utilize case mix averages from the April 1, 1998, through June 30, 1998, calendar quarter, and so forth.

Sec. 10. RCW 74.46.506 and 1999 c 353 s 5 and 1999 c 181 s 1 are each reenacted and amended to read as follows:

(1) The direct care component rate allocation corresponds to the provision of nursing care for one resident of a nursing facility for one day, including direct care supplies. Therapy services and supplies, which correspond to the therapy care component rate, shall be excluded. The direct care component rate includes elements of case mix determined consistent with the principles of this section and other applicable provisions of this chapter.

(2) Beginning October 1, 1998, the department shall determine and update quarterly for each nursing facility serving medicaid residents a facility-specific per-resident day direct care component rate allocation, to be effective on the first day of each calendar quarter. In determining direct care component rates the department shall utilize, as specified in this section, minimum data set resident assessment data for each resident of the facility, as transmitted to, and if necessary corrected by, the department in the resident assessment instrument format approved by federal authorities for use in this state.

(3) The department may question the accuracy of assessment data for any resident and utilize corrected or substitute information, however derived, in determining direct care component rates. The department is authorized to impose civil fines and to take adverse rate actions against a contractor, as specified by the department in rule, in order to obtain compliance with resident assessment and data transmission requirements and to ensure accuracy.

(4) Cost report data used in setting direct care component rate allocations shall be 1996 and 1999, for rate periods as specified in RCW 74.46.431(4)(a).

(5) Beginning October 1, 1998, the department shall rebase each nursing facility's direct care component rate allocation as described in RCW 74.46.431, adjust its direct care component rate allocation for economic trends and conditions

as described in RCW 74.46.431, and update its medicaid average case mix index, consistent with the following:

(a) Reduce total direct care costs reported by each nursing facility for the applicable cost report period specified in RCW 74.46.431(4)(a) to reflect any department adjustments, and to eliminate reported resident therapy costs and adjustments, in order to derive the facility's total allowable direct care cost;

(b) Divide each facility's total allowable direct care cost by its adjusted resident days for the same report period, increased if necessary to a minimum occupancy of eighty-five percent; that is, the greater of actual or imputed occupancy at eighty-five percent of licensed beds, to derive the facility's allowable direct care cost per resident day;

(c) Adjust the facility's per resident day direct care cost by the applicable factor specified in RCW 74.46.431(4) (b) and (c) to derive its adjusted allowable direct care cost per resident day;

(d) Divide each facility's adjusted allowable direct care cost per resident day by the facility average case mix index for the applicable quarters specified by RCW 74.46.501(7)(b) to derive the facility's allowable direct care cost per case mix unit;

(e) ~~Effective for July 1, 2001, rate setting, divide nursing facilities into at least two and, if applicable, three peer groups: Those located in ((metropolitan statistical areas as determined and defined by the United States office of management and budget or other appropriate agency or office of the federal government, and those not located in a metropolitan statistical area))~~ nonurban counties; those located in high labor-cost counties, if any; and those located in other urban counties;

(f) ~~Array separately the allowable direct care cost per case mix unit for all ((metropolitan statistical area and for all nonmetropolitan statistical area facilities))~~ facilities in nonurban counties, for all facilities in high labor-cost counties, if applicable; and for all facilities in other urban counties, and determine the median allowable direct care cost per case mix unit for each peer group;

(g) Except as provided in ~~((k))~~ (j) of this subsection, from October 1, 1998, through June 30, 2000, determine each facility's quarterly direct care component rate as follows:

(i) Any facility whose allowable cost per case mix unit is less than eighty-five percent of the facility's peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to eighty-five percent of the facility's peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(ii) Any facility whose allowable cost per case mix unit is greater than one hundred fifteen percent of the peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to one hundred fifteen percent of the peer group median, and shall have a direct care component rate

allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(iii) Any facility whose allowable cost per case mix unit is between eighty-five and one hundred fifteen percent of the peer group median established under (f) of this subsection shall have a direct care component rate allocation equal to the facility's allowable cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(h) Except as provided in ~~((the))~~ (i) of this subsection, from July 1, 2000, ~~((through June 30, 2002))~~ forward, and for all future rate setting, determine each facility's quarterly direct care component rate as follows:

(i) Any facility whose allowable cost per case mix unit is less than ninety percent of the facility's peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to ninety percent of the facility's peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(ii) Any facility whose allowable cost per case mix unit is greater than one hundred ten percent of the peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to one hundred ten percent of the peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(iii) Any facility whose allowable cost per case mix unit is between ninety and one hundred ten percent of the peer group median established under (f) of this subsection shall have a direct care component rate allocation equal to the facility's allowable cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

~~(i) ((From July 1, 2002, through June 30, 2004, determine each facility's quarterly direct care component rate as follows:~~

~~(i) Any facility whose allowable cost per case mix unit is less than ninety-five percent of the facility's peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to ninety-five percent of the facility's peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);~~

~~(ii) Any facility whose allowable cost per case mix unit is greater than one hundred five percent of the peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to one hundred five percent of the peer group median, and shall have a direct care component rate~~

allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

— (iii) Any facility whose allowable cost per case mix unit is between ninety-five and one hundred five percent of the peer group median established under (f) of this subsection shall have a direct care component rate allocation equal to the facility's allowable cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

— (j) Beginning July 1, 2004, determine each facility's quarterly direct care component rate by multiplying the facility's peer group median allowable direct care cost per case mix unit by that facility's medicaid average case mix index from the applicable quarter as specified in RCW 74.46.501(7)(c);

— (k))(i) Between October 1, 1998, and June 30, 2000, the department shall compare each facility's direct care component rate allocation calculated under (g) of this subsection with the facility's nursing services component rate in effect on September 30, 1998, less therapy costs, plus any exceptional care offsets as reported on the cost report, adjusted for economic trends and conditions as provided in RCW 74.46.431. A facility shall receive the higher of the two rates;

(ii) Between July 1, 2000, and June 30, 2002, the department shall compare each facility's direct care component rate allocation calculated under (h) of this subsection with the facility's direct care component rate in effect on June 30, 2000. A facility shall receive the higher of the two rates. Between July 1, 2001, and June 30, 2002, if during any quarter a facility whose rate paid under (h) of this subsection is greater than either the direct care rate in effect on June 30, 2000, or than that facility's allowable direct care cost per case mix unit calculated in (d) of this subsection multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c), the facility shall be paid in that and each subsequent quarter pursuant to (h) of this subsection and shall not be entitled to the greater of the two rates.

(iii) Effective July 1, 2002, all direct care component rate allocations shall be as determined under (h) of this subsection.

(6) The direct care component rate allocations calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

(7) Payments resulting from increases in direct care component rates, granted under authority of RCW 74.46.508(1) for a facility's exceptional care residents, shall be offset against the facility's examined, allowable direct care costs, for each report year or partial period such increases are paid. Such reductions in allowable direct care costs shall be for rate setting, settlement, and other purposes deemed appropriate by the department.

Sec. 11. RCW 74.46.511 and 1999 c 353 s 6 and 1999 c 181 s 3 are each reenacted and amended to read as follows:

(1) The therapy care component rate allocation corresponds to the provision of medicaid one-on-one therapy provided by a qualified therapist as defined in this

chapter, including therapy supplies and therapy consultation, for one day for one medicaid resident of a nursing facility. The therapy care component rate allocation for October 1, 1998, through June 30, 2001, shall be based on adjusted therapy costs and days from calendar year 1996. The therapy component rate allocation for July 1, 2001, through June 30, 2004, shall be based on adjusted therapy costs and days from calendar year 1999. The therapy care component rate shall be adjusted for economic trends and conditions as specified in RCW 74.46.431(5)(b), and shall be determined in accordance with this section.

(2) In rebasing, as provided in RCW 74.46.431(5)(a), the department shall take from the cost reports of facilities the following reported information:

(a) Direct one-on-one therapy charges for all residents by payer including charges for supplies;

(b) The total units or modules of therapy care for all residents by type of therapy provided, for example, speech or physical. A unit or module of therapy care is considered to be fifteen minutes of one-on-one therapy provided by a qualified therapist or support personnel; and

(c) Therapy consulting expenses for all residents.

(3) The department shall determine for all residents the total cost per unit of therapy for each type of therapy by dividing the total adjusted one-on-one therapy expense for each type by the total units provided for that therapy type.

(4) The department shall divide medicaid nursing facilities in this state into two peer groups:

(a) Those facilities located within ~~((a metropolitan statistical area))~~ urban counties; and

(b) Those ~~((not))~~ located ~~((in a metropolitan statistical area))~~ within nonurban counties.

~~((Metropolitan statistical areas and nonmetropolitan statistical areas shall be as determined by the United States office of management and budget or other applicable federal office.))~~ The department shall array the facilities in each peer group from highest to lowest based on their total cost per unit of therapy for each therapy type. The department shall determine the median total cost per unit of therapy for each therapy type and add ten percent of median total cost per unit of therapy. The cost per unit of therapy for each therapy type at a nursing facility shall be the lesser of its cost per unit of therapy for each therapy type or the median total cost per unit plus ten percent for each therapy type for its peer group.

(5) The department shall calculate each nursing facility's therapy care component rate allocation as follows:

(a) To determine the allowable total therapy cost for each therapy type, the allowable cost per unit of therapy for each type of therapy shall be multiplied by the total therapy units for each type of therapy;

(b) The medicaid allowable one-on-one therapy expense shall be calculated taking the allowable total therapy cost for each therapy type times the medicaid percent of total therapy charges for each therapy type;

(c) The medicaid allowable one-on-one therapy expense for each therapy type shall be divided by total adjusted medicaid days to arrive at the medicaid one-on-one therapy cost per patient day for each therapy type;

(d) The medicaid one-on-one therapy cost per patient day for each therapy type shall be multiplied by total adjusted patient days for all residents to calculate the total allowable one-on-one therapy expense. The lesser of the total allowable therapy consultant expense for the therapy type or a reasonable percentage of allowable therapy consultant expense for each therapy type, as established in rule by the department, shall be added to the total allowable one-on-one therapy expense to determine the allowable therapy cost for each therapy type;

(e) The allowable therapy cost for each therapy type shall be added together, the sum of which shall be the total allowable therapy expense for the nursing facility;

(f) The total allowable therapy expense will be divided by the greater of adjusted total patient days from the cost report on which the therapy expenses were reported, or patient days at eighty-five percent occupancy of licensed beds. The outcome shall be the nursing facility's therapy care component rate allocation.

(6) The therapy care component rate allocations calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

(7) The therapy care component rate shall be suspended for medicaid residents in qualified nursing facilities designated by the department who are receiving therapy paid by the department outside the facility daily rate under RCW 74.46.508(2).

Sec. 12. RCW 74.46.515 and 1999 c 353 s 7 are each amended to read as follows:

(1) The support services component rate allocation corresponds to the provision of food, food preparation, dietary, housekeeping, and laundry services for one resident for one day.

(2) Beginning October 1, 1998, the department shall determine each medicaid nursing facility's support services component rate allocation using cost report data specified by RCW 74.46.431(6).

(3) To determine each facility's support services component rate allocation, the department shall:

(a) Array facilities' adjusted support services costs per adjusted resident day for each facility from facilities' cost reports from the applicable report year, for facilities located within ~~((a metropolitan statistical area))~~ urban counties, and for those ~~((not))~~ located ~~((in any metropolitan statistical area))~~ within nonurban counties and determine the median adjusted cost for each peer group;

(b) Set each facility's support services component rate at the lower of the facility's per resident day adjusted support services costs from the applicable cost report period or the adjusted median per resident day support services cost for that facility's peer group, either ~~((metropolitan statistical area))~~ urban counties or ~~((nonmetropolitan statistical area))~~ nonurban counties, plus ten percent; and

(c) Adjust each facility's support services component rate for economic trends and conditions as provided in RCW 74.46.431(6).

(4) The support services component rate allocations calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

Sec. 13. RCW 74.46.521 and 1999 c 353 s 8 are each amended to read as follows:

(1) The operations component rate allocation corresponds to the general operation of a nursing facility for one resident for one day, including but not limited to management, administration, utilities, office supplies, accounting and bookkeeping, minor building maintenance, minor equipment repairs and replacements, and other supplies and services, exclusive of direct care, therapy care, support services, property, financing allowance, and variable return.

(2) Beginning October 1, 1998, the department shall determine each medicaid nursing facility's operations component rate allocation using cost report data specified by RCW 74.46.431(7)(a). Effective July 1, 2002, operations component rates for all facilities except essential community providers shall be based upon a minimum occupancy of ninety percent of licensed beds, and no operations component rate shall be revised in response to beds banked on or after May 25, 2001, under chapter 70.38 RCW.

(3) To determine each facility's operations component rate the department shall:

(a) Array facilities' adjusted general operations costs per adjusted resident day for each facility from facilities' cost reports from the applicable report year, for facilities located within ~~((a metropolitan statistical area))~~ urban counties and for those ~~((not))~~ located ~~((in a metropolitan statistical area))~~ within nonurban counties and determine the median adjusted cost for each peer group;

(b) Set each facility's operations component rate at the lower of:

(i) The facility's per resident day adjusted operations costs from the applicable cost report period adjusted if necessary to a minimum occupancy of eighty-five percent of licensed beds before July 1, 2002, and ninety percent effective July 1, 2002; or

(ii) The adjusted median per resident day general operations cost for that facility's peer group, ~~((metropolitan statistical area))~~ urban counties or ~~((nonmetropolitan statistical area))~~ nonurban counties; and

(c) Adjust each facility's operations component rate for economic trends and conditions as provided in RCW 74.46.431(7)(b).

(4) The operations component rate allocations calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

Sec. 14. RCW 74.46.711 and 1995 1st sp.s. c 18 s 69 are each amended to read as follows:

Upon the death of a resident with a personal fund deposited with the facility, the facility must convey within ~~((forty-five))~~ thirty days the resident's funds, and a final accounting of those funds, to the individual or probate jurisdiction administering the resident's estate; but in the case of a resident who received long-term care services paid in whole or in part by the department, the funds and accounting shall be sent to the state of Washington, department of social and health services, office of financial recovery. The department shall establish a release procedure for use for burial expenses.

NEW SECTION. Sec. 15. A new section is added to chapter 74.46 RCW to read as follows:

The total capital authorization available for any biennial period shall be specified in the biennial appropriations act and shall be calculated on an annual basis. When setting the capital authorization level, the legislature shall consider both the need for, and the cost of, new and replacement beds.

NEW SECTION. Sec. 16. A new section is added to chapter 74.46 RCW to read as follows:

The department shall establish rules for issuing a certificate of capital authorization. Applications for a certificate of capital authorization shall be submitted and approved on a biennial basis. The rules for a certificate of capital authorization shall be consistent with the following principles:

(1) The certificate of capital authorization shall be approved on a first-come, first-served basis.

(2) Those projects that do not receive approval in one authorization period shall have priority the following biennium should the project be resubmitted.

(3) The department shall have the authority to give priority for a project that is necessitated by an emergency situation even if the project is not submitted in a timely fashion. The department shall establish rules for determining what constitutes an emergency.

(4) The department shall establish deadlines for progress and the department shall have the authority to withdraw the certificate of capital authorization where the holder of the certificate has not complied with those deadlines in a good faith manner.

NEW SECTION. Sec. 17. The joint legislative task force on nursing homes is hereby created.

(1) Membership of the task force shall consist of eight legislators. The president of the senate shall appoint four members of the senate, including two members of the majority party and two members of the minority party. The co-speakers of the house of representatives shall appoint four members of the house of representatives, including two members from each party. Each body shall select representatives from committees with jurisdiction over health and long-term care and fiscal matters.

(2) The task force shall:

(a) Consider reports from nursing home organizations, consumers of long-term care services, and the department of social and health services on key issues in the delivery of nursing home care in various areas of the state;

(b) Assess the alternative approaches for linking case-mix scores with service hours and costs developed in accordance with section 18 of this act;

(c) Approve the proposed study plans, and review the reports on nursing home access, quality of care, quality of resident life, and employee wage and benefit levels, which are to be submitted in accordance with section 18 of this act;

(d) Review the report which is to be prepared in accordance with section 18 of this act on the need for additional case mix groupings and weights; and

(e) Consider the evaluation of rebasing alternatives conducted in accordance with section 18 of this act.

(3) The task force shall complete its review and submit its recommendations to the appropriate policy and fiscal committees of the legislature by December 1, 2003.

(4) This section expires December 31, 2003.

Sec. 18. 1998 c 322 s 47 (uncodified) is amended to read as follows:

(1) By December 1, 1998, the department of social and health services shall study and provide recommendations to the chairs of the house of representatives appropriations and health care committees, and the senate ways and means and health and long-term care committees, concerning options for changing the method for paying facilities for capital and property related expenses.

(2) The department of social and health services shall contract with an independent and recognized organization to study and evaluate the impacts of chapter 74.46 RCW implementation on access, quality of care, quality of life for nursing facility residents, and the wage and benefit levels of all nursing facility employees. The contractor shall submit a preliminary report of findings, and recommendations for further study, to the joint legislative task force on nursing homes by December 1, 2001. The department and contractor shall incorporate the task force's recommendations into the final evaluation plan, and submit interim reports on findings and recommendations to the task force by October 1, 2002, and July 1, 2003. The department (~~shall require,~~) and the contractor shall submit(~~;~~) a final report with the results of this study and evaluation, including their findings and recommendations, to the governor and legislature by (~~December~~) October 1, ((2001)) 2003.

(3) The department of social and health services shall study and, as needed, specify additional case mix groups and appropriate case mix weights to reflect the resource utilization of residents whose care needs are not adequately identified or reflected in the resource utilization group III grouper version 5.10. At a minimum, the department shall study the adequacy of the resource utilization group III grouper version 5.10, including the minimum data set, for capturing the care and resource utilization needs of residents with AIDS, residents with traumatic brain injury, and residents who are behaviorally challenged. The department shall report its findings to the (~~chairs of the house of representatives~~

health care committee and the senate health and long-term care committee)) joint legislative task force on nursing homes by December 12, 2002.

(4) By ~~((December 12))~~ July 1, 2002, the department of social and health services shall report to the ~~((legislature))~~ joint legislative task force on nursing homes and provide an evaluation of the fiscal impact of rebasing future payments at different intervals, including the impact of averaging two years' cost data as the basis for rebasing. This report shall include the fiscal impact to the state and the fiscal impact to nursing facility providers.

(5) By December 1, 2001, the department of social and health services shall report to the joint legislative task force on nursing homes on alternative approaches for using client acuity to establish direct care rates. The alternatives shall link acuity, as measured by case mix, to the number of hours of service estimated to be provided for each client, and shall multiply those estimated service hours by standard wage and benefit rates which account for differences in direct care labor costs in various areas of the state. The alternatives reviewed shall provide cost controls and incentives at least equal to the current rate-setting system, and shall not contain automatic cost increases, automatic indexing, hold harmless provisions, or mandatory future rebasing of costs.

**Sec. 19. RCW 70.38.115 and 1996 c 178 s 22 are each amended to read as follows:*

(1) Certificates of need shall be issued, denied, suspended, or revoked by the designee of the secretary in accord with the provisions of this chapter and rules of the department which establish review procedures and criteria for the certificate of need program.

(2) Criteria for the review of certificate of need applications, except as provided in subsection (3) of this section for health maintenance organizations, shall include but not be limited to consideration of the following:

(a) The need that the population served or to be served by such services has for such services;

(b) The availability of less costly or more effective alternative methods of providing such services;

(c) The financial feasibility and the probable impact of the proposal on the cost of and charges for providing health services in the community to be served;

(d) In the case of health services to be provided, (i) the availability of alternative uses of project resources for the provision of other health services, (ii) the extent to which such proposed services will be accessible to all residents of the area to be served, and (iii) the need for and the availability in the community of services and facilities for osteopathic physicians and surgeons and allopathic physicians and their patients. The department shall consider the application in terms of its impact on existing and proposed institutional training programs for doctors of osteopathic medicine and surgery and medicine at the student, internship, and residency training levels;

(e) In the case of a construction project, the costs and methods of the proposed construction, including the cost and methods of energy provision, and

the probable impact of the construction project reviewed (i) on the cost of providing health services by the person proposing such construction project and (ii) on the cost and charges to the public of providing health services by other persons;

(f) The special needs and circumstances of osteopathic hospitals, nonallopathic services and children's hospitals;

(g) Improvements or innovations in the financing and delivery of health services which foster cost containment and serve to promote quality assurance and cost-effectiveness;

(h) In the case of health services proposed to be provided, the efficiency and appropriateness of the use of existing services and facilities similar to those proposed;

(i) In the case of existing services or facilities, the quality of care provided by such services or facilities in the past;

(j) In the case of hospital certificate of need applications, whether the hospital meets or exceeds the regional average level of charity care, as determined by the secretary; and

(k) In the case of nursing home applications:

(i) The availability of other nursing home beds in the planning area to be served; and

(ii) The availability of other services in the community to be served. Data used to determine the availability of other services will include but not be limited to data provided by the department of social and health services.

(3) A certificate of need application of a health maintenance organization or a health care facility which is controlled, directly or indirectly, by a health maintenance organization, shall be approved by the department if the department finds:

(a) Approval of such application is required to meet the needs of the members of the health maintenance organization and of the new members which such organization can reasonably be expected to enroll; and

(b) The health maintenance organization is unable to provide, through services or facilities which can reasonably be expected to be available to the organization, its health services in a reasonable and cost-effective manner which is consistent with the basic method of operation of the organization and which makes such services available on a long-term basis through physicians and other health professionals associated with it.

A health care facility, or any part thereof, with respect to which a certificate of need was issued under this subsection may not be sold or leased and a controlling interest in such facility or in a lease of such facility may not be acquired unless the department issues a certificate of need approving the sale, acquisition, or lease.

(4) Until the final expiration of the state health plan as provided under RCW 70.38.919, the decision of the department on a certificate of need application shall be consistent with the state health plan in effect, except in emergency circumstances which pose a threat to the public health. The

department in making its final decision may issue a conditional certificate of need if it finds that the project is justified only under specific circumstances. The conditions shall directly relate to the project being reviewed. The conditions may be released if it can be substantiated that the conditions are no longer valid and the release of such conditions would be consistent with the purposes of this chapter.

(5) Criteria adopted for review in accordance with subsection (2) of this section may vary according to the purpose for which the particular review is being conducted or the type of health service reviewed.

(6) The department shall specify information to be required for certificate of need applications. Within fifteen days of receipt of the application, the department shall request additional information considered necessary to the application or start the review process. Applicants may decline to submit requested information through written notice to the department, in which case review starts on the date of receipt of the notice. Applications may be denied or limited because of failure to submit required and necessary information.

(7) Concurrent review is for the purpose of comparative analysis and evaluation of competing or similar projects in order to determine which of the projects may best meet identified needs. Categories of projects subject to concurrent review include at least new health care facilities, new services, and expansion of existing health care facilities. The department shall specify time periods for the submission of applications for certificates of need subject to concurrent review, which shall not exceed ninety days. Review of concurrent applications shall start fifteen days after the conclusion of the time period for submission of applications subject to concurrent review. Concurrent review periods shall be limited to one hundred fifty days, except as provided for in rules adopted by the department authorizing and limiting amendment during the course of the review, or for an unresolved pivotal issue declared by the department.

(8) Review periods for certificate of need applications other than those subject to concurrent review shall be limited to ninety days. Review periods may be extended up to thirty days if needed by a review agency, and for unresolved pivotal issues the department may extend up to an additional thirty days. A review may be extended in any case if the applicant agrees to the extension.

(9) The department or its designee, shall conduct a public hearing on a certificate of need application if requested unless the review is expedited or subject to emergency review. The department by rule shall specify the period of time within which a public hearing must be requested and requirements related to public notice of the hearing, procedures, recordkeeping and related matters.

(10)(a) Any applicant denied a certificate of need or whose certificate of need has been suspended or revoked has the right to an adjudicative proceeding. The proceeding is governed by chapter 34.05 RCW, the Administrative Procedure Act.

(b) Any health care facility or health maintenance organization that: (i) Provides services similar to the services provided by the applicant and under review pursuant to this subsection; (ii) is located within the applicant's health service area; and (iii) testified or submitted evidence at a public hearing held pursuant to subsection (9) of this section, shall be provided an opportunity to present oral or written testimony and argument in a proceeding under this subsection: PROVIDED, That the health care facility or health maintenance organization had, in writing, requested to be informed of the department's decisions.

(c) If the department desires to settle with the applicant prior to the conclusion of the adjudicative proceeding, the department shall so inform the health care facility or health maintenance organization and afford them an opportunity to comment, in advance, on the proposed settlement.

(11) An amended certificate of need shall be required for the following modifications of an approved project:

(a) A new service requiring review under this chapter;

(b) An expansion of a service subject to review beyond that originally approved;

(e) An increase in bed capacity;

(d) A significant reduction in the scope of a nursing home project without a commensurate reduction in the cost of the nursing home project, or a cost increase (as represented in bids on a nursing home construction project or final cost estimates acceptable to the person to whom the certificate of need was issued) if the total of such increases exceeds twelve percent or fifty thousand dollars, whichever is greater, over the maximum capital expenditure approved. The review of reductions or cost increases shall be restricted to the continued conformance of the nursing home project with the review criteria pertaining to financial feasibility and cost containment.

(12) An application for a certificate of need for a nursing home capital expenditure which is determined by the department to be required to eliminate or prevent imminent safety hazards or correct violations of applicable licensure and accreditation standards shall be approved.

(13)(a) Replacement of existing nursing home beds in the same planning area by an existing licensee who has operated the beds for at least one year shall not require a certificate of need under this chapter. The licensee shall give written notice of its intent to replace the existing nursing home beds to the department and shall provide the department with information as may be required pursuant to rule. Replacement of the beds by a party other than the licensee is subject to certificate of need review under this chapter, except as otherwise permitted by subsection (14) of this section.

(b) When an entire nursing home ceases operation, the licensee or any other party who has secured an interest in the beds may reserve his or her interest in the beds for eight years or until a certificate of need to replace them is issued, whichever occurs first. However, the nursing home, licensee, or any other party who has secured an interest in the beds must give notice of its intent

to retain the beds to the department of health no later than thirty days after the effective date of the facility's closure. Certificate of need review shall be required for any party who has reserved the nursing home beds except that the need criteria shall be deemed met when the applicant is the licensee who had operated the beds for at least one year, who has operated the beds for at least one year immediately preceding the reservation of the beds, and who is replacing the beds in the same planning area.

(14) In the event that a licensee, who has provided the department with notice of his or her intent to replace nursing home beds under subsection (13)(a) of this section, engages in unprofessional conduct or becomes unable to practice with reasonable skill and safety by reason of mental or physical condition, pursuant to chapter 18.130 RCW, ((or)) dies, or under state or federal law files for bankruptcy, the building owner shall be permitted to complete the nursing home bed replacement project, provided the building owner has secured an interest in the beds.

*Sec. 19 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 20. RCW 74.46.908 (Repealer) and 1999 c 353 s 17 are each repealed.

NEW SECTION. Sec. 21. 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. 22. (1) Sections 1 through 19 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2001.

(2) Section 20 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect June 29, 2001.

Passed the House May 24, 2001.

Passed the Senate May 24, 2001.

Approved by the Governor June 11, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State June 11, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 19, Substitute House Bill No. 2242 entitled:

"AN ACT Relating to Medicaid nursing home rates;"

Substitute House Bill No. 2242 modifies the current nursing home reimbursement formula, directs the Department of Social and Health Services to convene a study regarding issues related to nursing homes rates, and establishes a joint legislative task force to monitor and evaluate this issue and submit a report to the Legislature by December 1, 2003.

Section 19 of the bill would have allowed transfers of nursing home Certificates of Need (CONs) via bankruptcy without a review of whether subsequent operators meet CON criteria. Without a CON review, there would be no assurances that the new operator has the expertise or financial wherewithal to provide adequate resident care.

Over past several years, as a policy objective to help move nursing home residents toward housing more integrated in our communities, the Legislature has directed the Department of Health to reduce the number of nursing home beds approved through the CON process. Currently, a bankruptcy means that the Department of Health has an opportunity to reconsider its issuance of a CON. Section 19 would have allowed construction of nursing home beds to continue, without affording the Department the opportunity to reevaluate the need for the beds.

For these reasons, I have vetoed section 19 of Substitute House Bill No. 2242.

With the exception of section 19, Substitute House Bill No. 2242 is approved."

CHAPTER 9

[Engrossed House Bill 2260]

TAXATION—GROCERY DISTRIBUTION COOPERATIVES

AN ACT Relating to the taxation of grocery distribution cooperatives; amending RCW 82.04.270, 82.04.270, 82.19.050, and 82.19.050; reenacting and amending RCW 82.04.290, 82.04.290, and 82.04.290; adding a new section to chapter 82.04 RCW; providing effective dates; providing expiration dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 82.04 RCW to read as follows:

(1) The amount of tax with respect to a qualified grocery distribution cooperative's sales of groceries or related goods for resale, excluding items subject to tax under RCW 82.04.260(4), to customer-owners of the grocery distribution cooperative is equal to the gross proceeds of sales of the grocery distribution cooperative multiplied by the rate of one and one-half percent.

(2) A qualified grocery distribution cooperative is allowed a deduction from the gross proceeds of sales of groceries or related goods for resale, excluding items subject to tax under RCW 82.04.260(4), to customer-owners of the grocery distribution cooperative that is equal to the portion of the gross proceeds of sales for resale that represents the actual cost of the merchandise sold by the grocery distribution cooperative to customer-owners.

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

(a) "Grocery distribution cooperative" means an entity that sells groceries and related items to customer-owners of the grocery distribution cooperative and has customer-owners, in the aggregate, who own a majority of the outstanding ownership interests of the grocery distribution cooperative or of the entity controlling the grocery distribution cooperative. "Grocery distribution cooperative" includes an entity that controls a grocery distribution cooperative.

(b) "Qualified grocery distribution cooperative" means a grocery distribution cooperative that has been determined by a court of record of the state of Washington to be not engaged in wholesaling or making sales at wholesale, within the meaning of RCW 82.04.270 or any similar provision of a municipal ordinance that imposes a tax on gross receipts, gross proceeds of sales, or gross income, with respect to purchases made by customer-owners, and subsequently changes its form

of doing business to make sales at wholesale of groceries or related items to its customer-owners.

(c) "Customer-owner" means a person who has an ownership interest in a grocery distribution cooperative and purchases groceries and related items at wholesale from that grocery distribution cooperative.

(d) "Controlling" means holding fifty percent or more of the voting interests of an entity and having at least equal power to direct or cause the direction of the management and policies of the entity, whether through the ownership of voting securities, by contract, or otherwise.

Sec. 2. RCW 82.04.270 and 1999 c 358 s 1 are each amended to read as follows:

Upon every person except persons taxable under RCW 82.04.260(5) or section 1 of this act engaging within this state in the business of making sales at wholesale; as to such persons the amount of tax with respect to such business shall be equal to the gross proceeds of sales of such business multiplied by the rate of 0.484 percent.

Sec. 3. RCW 82.04.270 and 1999 c 358 s 2 are each amended to read as follows:

Upon every person except persons taxable under RCW 82.04.260(5), section 1 of this act, or 82.04.272 engaging within this state in the business of making sales at wholesale; as to such persons the amount of tax with respect to such business shall be equal to the gross proceeds of sales of such business multiplied by the rate of 0.484 percent.

Sec. 4. RCW 82.04.290 and 1998 c 331 s 2, 1998 c 312 s 8, and 1998 c 308 s 4 are each reenacted and amended to read as follows:

(1) Upon every person engaging within this state in the business of providing international investment management services, as to such persons, the amount of tax with respect to such business shall be equal to the gross income or gross proceeds of sales of the business multiplied by a rate of 0.275 percent.

(2) Upon every person engaging within this state in any business activity other than or in addition to those enumerated in RCW 82.04.230, 82.04.240, 82.04.250, 82.04.255, 82.04.260, 82.04.270, section 1 of this act, 82.04.2905, 82.04.280, 82.04.2635, and 82.04.2907, and subsection (1) of this section; as to such persons the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of 1.5 percent.

This section includes, among others, and without limiting the scope hereof (whether or not title to materials used in the performance of such business passes to another by accession, confusion or other than by outright sale), persons engaged in the business of rendering any type of service which does not constitute a "sale at retail" or a "sale at wholesale." The value of advertising, demonstration, and promotional supplies and materials furnished to an agent by his principal or supplier to be used for informational, educational and promotional purposes shall

not be considered a part of the agent's remuneration or commission and shall not be subject to taxation under this section.

Sec. 5. RCW 82.04.290 and 1998 c 343 s 4, 1998 c 331 s 2, 1998 c 312 s 8, and 1998 c 308 s 4 are each reenacted and amended to read as follows:

(1) Upon every person engaging within this state in the business of providing international investment management services, as to such persons, the amount of tax with respect to such business shall be equal to the gross income or gross proceeds of sales of the business multiplied by a rate of 0.275 percent.

(2) Upon every person engaging within this state in any business activity other than or in addition to those enumerated in RCW 82.04.230, 82.04.240, 82.04.250, 82.04.255, 82.04.260, 82.04.270, section 1 of this act, 82.04.2905, 82.04.280, 82.04.2635, 82.04.2907, and 82.04.272, and subsection (1) of this section; as to such persons the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of 1.5 percent.

This section includes, among others, and without limiting the scope hereof (whether or not title to materials used in the performance of such business passes to another by accession, confusion or other than by outright sale), persons engaged in the business of rendering any type of service which does not constitute a "sale at retail" or a "sale at wholesale." The value of advertising, demonstration, and promotional supplies and materials furnished to an agent by his principal or supplier to be used for informational, educational and promotional purposes shall not be considered a part of the agent's remuneration or commission and shall not be subject to taxation under this section.

Sec. 6. RCW 82.04.290 and 1998 c 343 s 4, 1998 c 331 s 2, 1998 c 312 s 8, and 1998 c 308 s 5 are each reenacted and amended to read as follows:

(1) Upon every person engaging within this state in the business of providing international investment management services, as to such persons, the amount of tax with respect to such business shall be equal to the gross income or gross proceeds of sales of the business multiplied by a rate of 0.275 percent.

(2) Upon every person engaging within this state in any business activity other than or in addition to those enumerated in RCW 82.04.230, 82.04.240, 82.04.250, 82.04.255, 82.04.260, 82.04.270, section 1 of this act, 82.04.2905, 82.04.280, 82.04.2907, and 82.04.272, and subsection (1) of this section; as to such persons the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of 1.5 percent.

This section includes, among others, and without limiting the scope hereof (whether or not title to materials used in the performance of such business passes to another by accession, confusion or other than by outright sale), persons engaged in the business of rendering any type of service which does not constitute a "sale at retail" or a "sale at wholesale." The value of advertising, demonstration, and promotional supplies and materials furnished to an agent by his principal or supplier to be used for informational, educational and promotional purposes shall

not be considered a part of the agent's remuneration or commission and shall not be subject to taxation under this section.

Sec. 7. RCW 82.19.050 and 2001 c 118 s 7 are each amended to read as follows:

The litter tax imposed in this chapter does not apply to:

(1) The manufacture or sale of products for use and consumption outside the state; ~~((or))~~

(2) The value of products or gross proceeds of the sales exempt from tax under RCW 82.04.330; ~~or~~

(3) The sale of products for resale by a qualified grocery distribution cooperative to customer-owners of the grocery distribution cooperative. For the purposes of this section, "qualified grocery distribution cooperative" and "customer-owner" have the meanings given in section 1 of this act.

Sec. 8. RCW 82.19.050 and 1992 c 175 s 7 are each amended to read as follows:

The litter tax imposed in this chapter does not apply to:

(1) The manufacture or sale of products for use and consumption outside the state; ~~((or))~~

(2) The value of products or gross proceeds of the sales of any animal, bird, or insect or the milk, eggs, wool, fur, meat, honey, or other substance obtained therefrom, if the person performs only the growing or raising function of such animal, bird, or insect; ~~or~~

(3) The sale of products for resale by a qualified grocery distribution cooperative to customer-owners of the grocery distribution cooperative. For the purposes of this section, "qualified grocery distribution cooperative" and "customer-owner" have the meanings given in section 1 of this act.

NEW SECTION. **Sec. 9.** (1) Sections 1, 2, 4, and 8 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

(2) Sections 3 and 5 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2001.

(3) Section 6 of this act takes effect July 1, 2003.

(4) Section 7 is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 22, 2001.

NEW SECTION. **Sec. 10.** (1) Sections 2 and 4 of this act expire July 1, 2001.

(2) Section 5 of this act expires July 1, 2003.

(3) Section 8 of this act expires July 22, 2001.

Ch. 9 WASHINGTON LAWS, 2001 1st Sp. Sess.

Passed the House May 21, 2001.

Passed the Senate May 23, 2001.

Approved by the Governor June 11, 2001.

Filed in Office of Secretary of State June 11, 2001.

CHAPTER 10

[Engrossed Substitute Senate Bill 5407]

SIMULCAST HORSE RACES

AN ACT Relating to changing provisions relating to the import of simulcast horse races from out-of-state racing facilities to class 1 racing associations' live racing facilities; amending RCW 67.16.200; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that Washington's equine racing industry creates economic, environmental, and recreational impacts across the state affecting agriculture, horse breeding, the horse training industry, agricultural fairs and youth programs, and tourism and employment opportunities. The Washington equine industry has incurred a financial decline coinciding with increased competition from the gaming industry in the state and from the lack of a class 1 racing facility in western Washington from 1993 through 1995. This act is necessary to preserve, restore, and revitalize the equine breeding and racing industries and to preserve in Washington the economic and social impacts associated with these industries. Preserving Washington's equine breeding and racing industries, and in particular those sectors of the industries that are dependent upon live horse racing, is in the public interest of the state. The purpose of this act is to preserve Washington's equine breeding and racing industries and to protect these industries from adverse economic impacts. This act does not establish a new form of gaming in Washington or allow expanded gaming within the state beyond what has been previously authorized. Simulcast wagering has been allowed in Washington before the effective date of this act. Therefore, this act does not allow gaming of any nature or scope that was prohibited before the effective date of this act.

Sec. 2. RCW 67.16.200 and 2000 c 223 s 1 are each amended to read as follows:

(1) A racing association licensed by the commission to conduct a race meet may seek approval from the commission to conduct parimutuel wagering on its program at a satellite location or locations within the state of Washington. The sale of parimutuel pools at satellite locations shall be conducted only during the licensee's race meet and simultaneous to all parimutuel wagering activity conducted at the licensee's live racing facility in the state of Washington. The commission's authority to approve satellite wagering at a particular location is subject to the following limitations:

(a) The commission may approve only one satellite location in each county in the state; however, the commission may grant approval for more than one

licensee to conduct wagering at each satellite location. A satellite location shall not be operated within twenty driving miles of any class 1 racing facility. For the purposes of this section, "driving miles" means miles measured by the most direct route as determined by the commission; and

(b) A licensee shall not conduct satellite wagering at any satellite location within sixty driving miles of any other racing facility conducting a live race meet.

(2) Subject to local zoning and other land use ordinances, the commission shall be the sole judge of whether approval to conduct wagering at a satellite location shall be granted.

(3) The licensee shall combine the parimutuel pools of the satellite location with those of the racing facility for the purpose of determining odds and computing payoffs. The amount wagered at the satellite location shall be combined with the amount wagered at the racing facility for the application of take out formulas and distribution as provided in RCW 67.16.102, 67.16.105, 67.16.170, and 67.16.175. A satellite extension of the licensee's racing facility shall be subject to the same application of the rules of racing as the licensee's racing facility.

(4) Upon written application to the commission, a class 1 racing association may be authorized to transmit simulcasts of live horse races conducted at its racetrack to locations outside of the state of Washington approved by the commission and in accordance with the interstate horse racing act of 1978 (15 U.S.C. Sec. 3001 to 3007) or any other applicable laws. The commission may permit parimutuel pools on the simulcast races to be combined in a common pool. A racing association that transmits simulcasts of its races to locations outside this state shall pay at least fifty percent of the fee that it receives for sale of the simulcast signal to the horsemen's purse account for its live races after first deducting the actual cost of sending the signal out of state.

(5) Upon written application to the commission, a class 1 racing association may be authorized to transmit simulcasts of live horse races conducted at its racetrack to licensed racing associations located within the state of Washington and approved by the commission for the receipt of the simulcasts. The commission shall permit parimutuel pools on the simulcast races to be combined in a common pool. The fee for in-state, track-to-track simulcasts shall be five and one-half percent of the gross parimutuel receipts generated at the receiving location and payable to the sending racing association. A racing association that transmits simulcasts of its races to other licensed racing associations shall pay at least fifty percent of the fee that it receives for the simulcast signal to the horsemen's purse account for its live race meet after first deducting the actual cost of sending the simulcast signal. A racing association that receives races simulcast from class 1 racing associations within the state shall pay at least fifty percent of its share of the parimutuel receipts to the horsemen's purse account for its live race meet after first deducting the purchase price and the actual direct costs of importing the race.

(6) A class 1 racing association may be allowed to import simulcasts of horse races from out-of-state racing facilities. With the prior approval of the commission, the class 1 racing association may participate in an interstate common pool and may change its commission and breakage rates to achieve a common rate with other participants in the common pool.

(a) The class 1 racing association shall make written application with the commission for permission to import simulcast horse races for the purpose of parimutuel wagering. Subject to the terms of this section, the commission is the sole authority in determining whether to grant approval for an imported simulcast race.

~~(b) ((During the conduct of its race meeting, a class 1 racing association may be allowed to import no more than one simulcast race card program during each live race day.))~~ A licensed racing association may also be approved to import one simulcast race of regional or national interest on each live race day. ~~((A class 1 racing association may be permitted to import two simulcast programs on two nonlive race days per each week during its live meet. A licensee shall not operate parimutuel wagering on more than five days per week. Parimutuel wagering on imported simulcast programs shall only be conducted at the live racing facility of a class 1 racing association.))~~

(c) The commission may allow simulcast races of regional or national interest to be sent to satellite locations. The simulcasts shall be limited to one per day except for Breeder's Cup special events day.

(d) When open for parimutuel wagering, a class 1 racing association which imports simulcast races shall also conduct simulcast parimutuel wagering within its licensed racing enclosure on all races simulcast from other class 1 racing associations within the state of Washington.

~~(e) ((When not conducting a live race meeting, a class 1 racing association may be approved to conduct simulcast parimutuel wagering on imported simulcast races.))~~ The conduct of ~~((simulcast))~~ parimutuel wagering on ~~((the))~~ imported simulcast races shall be for not more than fourteen hours during any twenty-four hour period, for not more than five days per week and only at ~~((its))~~ the live racing facility of a class 1 racing association.

(f) On any imported simulcast race, the class 1 racing association shall pay fifty percent of its share of the parimutuel receipts to the horsemen's purse account for its live race meet after first deducting the purchase price of the imported race and the actual costs of importing the race.

(7) For purposes of this section, a class 1 racing association is defined as a licensee approved by the commission to conduct during each twelve-month period at least forty days of live racing. If a live race day is canceled due to reasons directly attributable to acts of God, labor disruptions affecting live race days but not directly involving the licensee or its employees, or other circumstances that the commission decides are beyond the control of the class 1 racing association, then the canceled day counts toward the forty-day requirement. The commission may

by rule increase the number of live racing days required to maintain class 1 racing association status or make other rules necessary to implement this section.

(8) This section does not establish a new form of gaming in Washington or allow expanded gaming within the state beyond what has been previously authorized. Simulcast wagering has been allowed in Washington before April 19, 1997. Therefore, this section does not allow gaming of any nature or scope that was prohibited before April 19, 1997. This section is necessary to protect the Washington equine breeding and racing industries, and in particular those sectors of these industries that are dependent upon live horse racing. The purpose of this section is to protect these industries from adverse economic impacts and to promote fan attendance at class 1 racing facilities. Therefore, imported simulcast race card programs shall not be disseminated to any location outside the live racing facility of the class 1 racing association and a class 1 racing association is strictly prohibited from simulcasting imported race card programs to any location outside its live racing facility.

(9) A licensee conducting simulcasting under this section shall place signs in the licensee's gambling establishment under RCW 9.46.071. The informational signs concerning problem and compulsive gambling must include a toll-free telephone number for problem and compulsive gamblers and be developed under RCW 9.46.071.

(10) This act does not establish a new form of gaming in Washington or allow expanded gaming within the state beyond what has been previously authorized. Simulcast wagering has been allowed in Washington before the effective date of this act. Therefore, this section does not allow gaming of any nature or scope that was prohibited before the effective date of this act. This act is necessary to protect the Washington equine breeding and racing industries, and in particular those sectors of these industries that are dependent upon live horse racing. The purpose of this act is to protect these industries from adverse economic impacts and to promote fan attendance at class 1 racing facilities. Therefore, imported simulcast race card programs shall not be disseminated to any location outside the live racing facility of the class 1 racing association and a class 1 racing association is strictly prohibited from simulcasting imported race card programs to any location outside its live racing facility.

(11) If a state or federal court makes a finding that the increase in the number of imported simulcast races that may be authorized under this act is an expansion of gaming beyond that which is now allowed, this act is null and void.

(12) If any provision of this act or its application to any person or circumstance is held invalid, the remainder of this act or the application of the provision to other persons or circumstances is also invalid.

Passed the Senate May 21, 2001.

Passed the House May 23, 2001.

Approved by the Governor June 11, 2001.

Filed in Office of Secretary of State June 11, 2001.

CHAPTER 11

[Engrossed Substitute Senate Bill 6007]

UNEMPLOYMENT COMPENSATION—INDIAN TRIBE EMPLOYEES

AN ACT Relating to extending unemployment insurance coverage to employees of Indian tribes; amending RCW 50.04.090; adding a new section to chapter 50.04 RCW; adding a new chapter to Title 50 RCW; creating new sections; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 50.04.090 and 1983 1st ex.s. c 23 s 2 are each amended to read as follows:

"Employing unit" means any individual or any type of organization, including any partnership, association, trust, estate, joint stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has or subsequent to January 1, 1937, had in its employ or in its "employment" one or more individuals performing services within this state. The state and its political subdivisions shall be deemed employing units as to any transactions occurring on or after September 21, 1977 which would render an employing unit liable for contributions, interest, or penalties under RCW 50.24.130. "Employing unit" includes Indian tribes as defined in section 3 of this act.

NEW SECTION. **Sec. 2.** A new section is added to chapter 50.04 RCW to read as follows:

The term "employment" includes services performed in the employ of an Indian tribe as provided in section 3 of this act.

NEW SECTION. **Sec. 3.** The term "employment" includes service performed in the employ of an Indian tribe, as defined in section 3306(u) of the federal unemployment tax act, provided such service is excluded from "employment" as defined in the federal unemployment tax act solely by reason of section 3306(c)(7), the federal unemployment tax act, and is not otherwise excluded from "employment" under this title. For purposes of this section, the exclusions from employment in RCW 50.44.040, except RCW 50.44.040(12) addressing nongovernmental preschools, are applicable to services performed in the employ of an Indian tribe.

NEW SECTION. **Sec. 4.** Benefits based on service in employment defined in this chapter are payable in the same amount, on the same terms, and subject to the same conditions as benefits payable on the basis of other service under this title.

NEW SECTION. **Sec. 5.** (1) Indian tribes or tribal units, including subdivisions, subsidiaries, or business enterprises wholly owned by such Indian tribes, subject to this title shall pay contributions under the same terms and conditions as all other subject employers, unless they elect to pay into the unemployment compensation fund amounts equal to the amount of benefits attributable to service in the employ of the Indian tribe.

(2) Indian tribes electing to make payments in lieu of contributions shall make such election in the same manner and under the same conditions as provided in RCW 50.44.030 pertaining to other units of government subject to this title. Indian tribes shall determine if reimbursement for benefits paid are to be elected by the tribe as a whole, by individual tribal units, or by combinations of tribal units.

(3) Indian tribes or tribal units shall be billed for the full amount of benefits attributable to service in the employ of the Indian tribe or tribal unit on the same schedule as other employing units that have elected to make payments in lieu of contributions.

(4) At the discretion of the commissioner and on the same basis as other employers with the same election option, any Indian tribe or tribal unit that elects to become liable for payments in lieu of contributions is required, within thirty days after the effective date of its election, to: (a) Execute and file with the commissioner a surety bond approved by the commissioner; or (b) deposit with the commissioner money or securities in an amount determined by the commissioner.

NEW SECTION. Sec. 6. (1)(a) The commissioner shall revoke the option for an Indian tribe or tribal unit to make payments in lieu of contributions as described in section 5 of this act if the Indian tribe or tribal unit: (i) Did not make payments, including assessments of interest and penalties, required under this chapter within ninety days of receipt of statement; or (ii) entered into an approved agency deferred payment contract, and was not in compliance with the contract on the cutoff date, as authorized in chapter 50.29 RCW. The revocation shall begin on January 1 of the first calendar year after the Indian tribe or tribal unit meets these conditions, and shall continue until the option is reinstated as described in (b) of this subsection.

(b) The commissioner shall reinstate the option if, as of the cutoff date, an Indian tribe or tribal unit whose option was revoked as described in (a) of this subsection: (i) Paid contributions owed in the current calendar year when due; and (ii) made required payments, including assessments of interest and penalties, for any preceding calendar years. The reinstatement shall begin on January 1 of the first calendar year after the Indian tribe or tribal unit satisfies these conditions.

(2)(a) Services performed for an Indian tribe or tribal unit are not services in "employment" for purposes of sections 2 and 3 of this act if:

(i) The Indian tribe or tribal unit elected to make payments in lieu of contributions, had the option revoked, and has not met the conditions for reinstatement of the option; and

(ii) The Indian tribe or tribal unit either: (A) Did not make required payments, including assessments of interest and penalties, within one hundred eighty days of receipt of statement; or (B) entered into an approved agency deferred payment contract, and was not in compliance with the contract on the last day of the current calendar quarter.

This revocation of coverage shall begin on the first day of the first calendar quarter after the Indian tribe or tribal unit meets these conditions, and shall continue until coverage is reinstated as described in (c) of this subsection.

(b) Services performed for an Indian tribe or tribal unit are not services in "employment" for purposes of sections 2 and 3 of this act if:

(i) The Indian tribe or tribal unit is a contribution-paying employer; and

(ii) The Indian tribe or tribal unit either: (A) Did not make required payments, including assessments of interest and penalties, within one hundred eighty days of receipt of statement; or (B) entered into an approved agency deferred payment contract, and was not in compliance with the contract on the last day of the current calendar quarter.

This revocation of coverage shall begin on the first day of the first calendar quarter after the Indian tribe or tribal unit meets these conditions, and shall continue until coverage is reinstated as described in (c) of this subsection.

(c) The commissioner may reinstate coverage if the Indian tribe or tribal unit has made required payments, including assessments of interest and penalties. This reinstatement of coverage may begin on the first day of the first calendar quarter after these payments are made.

(3)(a) The commissioner shall immediately notify the United States internal revenue service and the United States department of labor if an Indian tribe or tribal unit does not make required payments, including assessments of interest and penalties, within ninety days of receipt of statement.

(b) The commissioner shall immediately notify the United States internal revenue service and the United States department of labor of any revocation or reinstatement of the option to make payments in lieu of contributions under subsection (1) of this section or any revocation or reinstatement of coverage under subsection (2) of this section.

NEW SECTION. Sec. 7. Notices of payment and reporting delinquency to Indian tribes or their tribal units must include information that failure to make full payment within the prescribed time frames: (1) Causes the Indian tribe to be liable for taxes under the federal unemployment tax act; (2) causes the Indian tribe to lose the option to make payments in lieu of contributions; and (3) causes the Indian tribe to be excepted from the definition of "employing unit," as provided in RCW 50.04.090, and services in the employ of the Indian tribe, as provided in sections 2 and 3 of this act, to be excepted from "employment."

NEW SECTION. Sec. 8. Extended benefits paid that are attributable to service in the employ of an Indian tribe and not reimbursed by the federal government must be financed in their entirety by such Indian tribe.

NEW SECTION. Sec. 9. Unless specifically addressed in this chapter, Indian tribes or their tribal units are subject to the same terms and conditions as are other employers subject to contributions under RCW 50.29.020 or other units of government under RCW 50.44.030 that make payments in lieu of contributions.

NEW SECTION. Sec. 10. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is inoperative solely to the extent of the conflict, and the finding or determination does not affect the operation of the remainder of this act. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

NEW SECTION. Sec. 11. 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. 12. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

NEW SECTION. Sec. 13. This act applies retroactively to services performed on or after December 21, 2000. Indian tribes or tribal units may elect to make payments in lieu of contributions effective December 21, 2000, or a subsequent date.

NEW SECTION. Sec. 14. Sections 3 through 9 of this act constitute a new chapter in Title 50 RCW.

Passed the Senate May 22, 2001.

Passed the House May 23, 2001.

Approved by the Governor June 11, 2001.

Filed in Office of Secretary of State June 11, 2001.

CHAPTER 12

[Substitute Senate Bill 6012]

OUTDOOR BURNING—URBAN GROWTH AREAS

AN ACT Relating to customary agricultural practices in the urban growth area; and amending RCW 70.94.743.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 70.94.743 and 1998 c 68 s 1 are each amended to read as follows:

(1) Consistent with the policy of the state to reduce outdoor burning to the greatest extent practical:

(a) Outdoor burning shall not be allowed in any area of the state where federal or state ambient air quality standards are exceeded for pollutants emitted by outdoor burning.

(b) Outdoor burning shall not be allowed in any urban growth area as defined by RCW 36.70A.030, or any city of the state having a population greater than ten thousand people if such cities are threatened to exceed state or federal air quality

standards, and alternative disposal practices consistent with good solid waste management are reasonably available or practices eliminating production of organic refuse are reasonably available. In no event shall such burning be allowed after December 31, 2000, except that within the urban growth areas for cities having a population of less than five thousand people, that are neither within nor contiguous with any nonattainment or maintenance area designated under the federal clean air act, in no event shall such burning be allowed after December 31, 2006.

(c) Notwithstanding any other provision of this section, outdoor burning may be allowed for the exclusive purpose of managing storm or flood-related debris. The decision to allow burning shall be made by the entity with permitting jurisdiction as determined under RCW 70.94.660 or 70.94.755. If outdoor burning is allowed in areas subject to (a) or (b) of this subsection, a permit shall be required, and a fee may be collected to cover the expenses of administering and enforcing the permit. All conditions and restrictions pursuant to RCW 70.94.750(1) and 70.94.775 apply to outdoor burning allowed under this section.

(d) Outdoor burning that is normal, necessary, and customary to ongoing agricultural activities, that is consistent with agricultural burning authorized under RCW 70.94.650 and 70.94.656, is allowed within the urban growth area as defined in (b) of this subsection if the burning is not conducted during air quality episodes, or where a determination of impaired air quality has been made as provided in RCW 70.94.473, and the agricultural activities preceded the designation as an urban growth area.

(2) "Outdoor burning" means the combustion of material of any type in an open fire or in an outdoor container without providing for the control of combustion or the control of emissions from the combustion.

(3) This section shall not apply to silvicultural burning used to improve or maintain fire dependent ecosystems for rare plants or animals within state, federal, and private natural area preserves, natural resource conservation areas, parks, and other wildlife areas.

Passed the Senate May 16, 2001.

Passed the House May 24, 2001.

Approved by the Governor June 11, 2001.

Filed in Office of Secretary of State June 11, 2001.

WASHINGTON LAWS

2001 SECOND SPECIAL SESSION

CHAPTER 1

[Second Engrossed Substitute House Bill 1266]

TRANSPORTATION FUNDING—SUPPLEMENTAL APPROPRIATIONS

AN ACT Relating to transportation funding and appropriations; amending 2000 2nd sp.s. c 3 ss 201, 203, 204, 211, 212, 216, 217, 219, 221, 224, 226, 227, 230, 232, 401, 403, 404, and 405 (uncodified); making appropriations; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

PART II

TRANSPORTATION AGENCIES

Sec. 201. 2000 2nd sp.s. c 3 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State Appropriation	\$	1,452,000
Highway Safety Account—Federal Appropriation	\$	9,038,000
School Zone Safety Account—State Appropriation	\$	((1,004,000))
		<u>1,204,000</u>
TOTAL APPROPRIATION	\$	((11,494,000))
		<u>11,694,000</u>

The appropriations in this section (~~(is)~~) are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) \$25,000 of the highway safety account—state is provided as a one-time appropriation to implement the Cooper Jones act, chapter 165, Laws of 1998.

(2) The Washington traffic safety commission may oversee no more than four pilot projects regarding the use of traffic safety cameras at school zones and/or railroad crossings and no more than one pilot project regarding the use of traffic safety cameras at school zones, stoplights, and/or railroad crossings. The traffic safety commission shall use the following guidelines to administer the program:

(a) Traffic safety cameras may take pictures of the vehicle and vehicle license plate only;

(b) The law enforcement agency of the city or county government shall plainly mark the locations where the automated traffic enforcement system is used by placing signs on street locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic enforcement system;

(c) Cities and counties using traffic safety cameras must provide periodic notice by mail to its citizens indicating the zones in which the traffic safety cameras will be used;

(d) Notices of infractions must be mailed to the registered owner of a vehicle within fourteen days of the infraction occurring;

(e) The owner of the vehicle is not responsible for the violation if the owner of the vehicle, within fifteen days after notification of the violation, furnishes the officials or agents of the municipality that issued the citation with:

(i) An affidavit made under oath, stating that the vehicle involved was, at the time, stolen or in the care, custody, or control of some person other than the registered owner; or

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(ii) Testimony in open court under oath that the person was not the operator of the vehicle at the time of the alleged violation;

(f) Infractions detected through the use of traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120;

(g) By January 1, 2001, the traffic safety commission shall provide a report to the legislature regarding the use, public acceptance, outcomes, and other relevant issues regarding traffic safety cameras demonstrated by the pilot projects.

Sec. 202. 2000 2nd sp.s. c 3 s 203 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State	
Appropriation	\$ 60,568,000
Motor Vehicle Account—State Appropriation	\$ 1,661,000
Motor Vehicle Account—Private/Local	
Appropriation	\$ 376,000
County Arterial Preservation Account—	
State Appropriation	\$ 28,542,000
TOTAL APPROPRIATION	\$ 91,147,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) \$240,000 of the motor vehicle account—state appropriation is provided solely for the completion of a study updating the legislature on the freight and goods road systems on county roads.

(2) The appropriations contained in this section include funding to assist counties in providing match for federal emergency funding for earthquake damage as determined by the county road administration board. The county road administration board shall report to the transportation committees of the senate and house of representatives and the office of financial management by September 30, 2001, on the projects selected to receive match funding.

Sec. 203. 2000 2nd sp.s. c 3 s 204 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Urban Arterial Trust Account—State	
Appropriation	\$ 104,433,000
Transportation Improvement Account—	
State Appropriation	\$ 148,814,000
Public Transportation Systems Account—	
State Appropriation	\$ 4,532,000
Multimodal Transportation Account—State	
Appropriation	\$ 11,977,000
TOTAL APPROPRIATION	\$ 269,756,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The transportation improvement account—state appropriation includes \$60,000,000 in proceeds from the sale of bonds, \$30,000,000 authorized by RCW

47,265,000, and \$30,000,000 authorized by House Bill No. 2788. If House Bill No. 2788 is not enacted in the form passed by the legislature \$30,000,000 of the amount provided in this subsection shall lapse.

(2) The appropriations contained in this section include funding to assist cities and counties in providing match for federal emergency funding for earthquake damage as determined by the transportation improvement board. The transportation improvement board shall report to the transportation committees of the senate and house of representatives and the office of financial management by September 30, 2001, on the projects selected to receive match funding.

Sec. 204. 2000 2nd sp.s. c 3 s 211 (uncodified) is amended to read as follows:
FOR THE WASHINGTON STATE PATROL—FIELD OPERATIONS BUREAU

State Patrol Highway Account—	
State Appropriation	\$ ((154,314,000))
	<u>154,550,000</u>
State Patrol Highway Account—	
Federal Appropriation	\$ ((6,153,000))
	<u>7,097,000</u>
State Patrol Highway Account—	
Private/Local Appropriation	\$ 169,000
TOTAL APPROPRIATION	\$ ((160,636,000))
	<u>161,816,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) \$1,435,000 of the state patrol highway account—state appropriation is provided solely to the field operations group subprogram as a one-time appropriation to begin funding phase III of the Washington state patrol's upgrade to the statewide emergency communication system. The Washington state patrol shall provide a full analysis of the costs, benefits, and requirements for completing all phases of the upgrade to the statewide emergency communication system to the senate transportation committee and the house of representatives transportation committee by December 1, 1999.

(2) The Washington state patrol is authorized to use the federal community-oriented policing program (COPS) for 18 COPS troopers to begin in July 2000. The troopers must be used on the state's highways and up to six may be utilized in the Vancouver, Washington area.

Sec. 205. 2000 2nd sp.s. c 3 s 212 (uncodified) is amended to read as follows:
FOR THE WASHINGTON STATE PATROL—SUPPORT SERVICES BUREAU

State Patrol Highway Account—	
State Appropriation	\$ ((65,621,000))
	<u>65,963,000</u>
State Patrol Highway Account—	

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Federal Appropriation	\$	104,000
State Patrol Highway Account—		
Private/Local Appropriation	\$	743,000
TOTAL APPROPRIATION	\$	((66,468,000))
		<u>66,810,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$877,000 of the state patrol highway account—state appropriation is provided solely to maintain pursuit vehicles and provide for replacement of the vehicles at 110,000 miles. The agency may purchase a total of 354 pursuit vehicles during the biennium ending June 30, 2001. The appropriation in this section reflects carry forward and new funding due to the consolidation of gasoline, maintenance, parts, and pursuit vehicles into the fleet section of the support services bureau.

Sec. 206. 2000 2nd sp.s. c 3 s 216 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF LICENSING—DRIVER SERVICES

Motorcycle Safety Education Account—

State Appropriation	\$	2,210,000
Highway Safety Account—State Appropriation	\$	((77,971,000))
		<u>77,901,000</u>
TOTAL APPROPRIATION	\$	((80,181,000))
		<u>80,111,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) By January 1, 2001, the department shall report to the transportation committees of the house of representatives and the senate on the progress of the driver history initiative project and make recommendations for implementing this project on a statewide level.

(2) \$2,880,000 of the highway safety account—state appropriation is provided solely for the department to enter into a contract for the implementation of an improved state driver's license and identicard. The contract with the vendor providing the improved license and identicard shall state that the license and the identicard shall not contain: (a) The driver's social security number in either visible or machine readable form; or (b) the driver's fingerprint or thumbprint. Consistent with RCW 42.17.260(9) the department shall not sell or otherwise make available any information that it gathers from citizens of the state of Washington in administering the driver's licensing program except as already authorized in Title 46 RCW.

(3) In September of 1999 the department of licensing shall report to the senate transportation committee and the house of representatives transportation committee on:

(a) The controls implemented by the department to ensure the integrity and credibility of the written driver's license test administered by the department; and

(b) The policies and procedures implemented by the department to ensure that the driver's manuals produced and distributed by the department contain correct data based on current federal, state, and local statutes, ordinances, and rules.

(4) \$17,000 of the highway safety fund—state appropriation is provided solely to implement House Bill No. 1774 enacted in the form passed by the legislature. If House Bill No. 1774 is not enacted in the form passed by the legislature the amount referenced in this subsection shall lapse.

(5) \$130,000 of the highway safety fund—state appropriation is provided solely to implement House Bill No. 2259 enacted in the form passed by the legislature. If House Bill No. 2259 is not enacted in the form passed by the legislature the amount provided in this subsection shall lapse.

Sec. 207. 2000 2nd sp.s. c 3 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MANAGEMENT AND FACILITIES—PROGRAM D—OPERATING

Motor Vehicle Account—State Appropriation	\$	((45,236,000))
		<u>45,563,000</u>
Motor Vehicle Account—Federal Appropriation	\$	((400,000))
		<u>481,000</u>
TOTAL APPROPRIATION	\$	((45,636,000))
		<u>46,044,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$27,000 of the motor vehicle account—state appropriation is provided solely as a match for federal emergency management funds available to the department of transportation to repair damage caused by the February 28th earthquake.

Sec. 208. 2000 2nd sp.s. c 3 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

Motor Vehicle Account—State Appropriation	\$	((459,765,000))
		<u>460,931,000</u>
Motor Vehicle Account—Federal Appropriation	\$	((240,241,000))
		<u>242,091,000</u>
Motor Vehicle Account—Private/Local		
Appropriation	\$	50,363,000
Special Category C Account—State Appropriation	\$	55,220,000
Puyallup Tribal Settlement Account—		
State Appropriation	\$	8,662,000
Multimodal Transportation Account—State		
Appropriation	\$	4,880,000
Multimodal Transportation Account—Federal		
Appropriation	\$	1,275,000
Multimodal Transportation Account—Private/Local		
Appropriation	\$	1,106,000

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**TOTAL APPROPRIATION \$ ~~((821,512,000))~~
824,528,000**

The appropriations in this section are provided for the location, design, right of way acquisition, or construction of state highway projects designated as improvements under RCW 47.05.030. The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The special category C account—state appropriation of \$55,220,000 includes \$40,500,000 in proceeds from the sale of bonds authorized by Senate Bill No. 5060 or House Bill No. 1203 enacted in the form passed by the legislature. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(2) The motor vehicle account—state appropriation includes \$1,285,000 in proceeds from the sale of bonds authorized by RCW 47.10.819(1) for match on federal demonstration projects. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(3) The department shall report December 1st and June 1st of each year to the senate transportation committee and the house of representatives transportation committee and the office of financial management on the timing and the scope of work being performed for the regional transit authority known as sound transit. This report shall provide a description of all department activities related to the regional transit authority including investments in state-owned infrastructure.

(4) The motor vehicle account—federal appropriation in this section is transferrable to the transportation account or multimodal transportation account to ensure efficient funds management and program delivery.

(5) \$2,270,000 of the motor vehicle account—state appropriation is provided solely for the north Sumner interchange project. The project shall no longer receive a portion of its funding from the economic development account.

(6) \$4,880,000 of the multimodal transportation account—state appropriation is provided solely for the state program share of freight mobility projects as identified by the freight mobility strategic investment board. The amount provided in this subsection can only be expended upon authorization from the freight mobility strategic investment board.

(7) The motor vehicle account—state appropriation includes \$147,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(8)(a) \$50,000,000 of the motor vehicle account—state appropriation is provided as a cash contribution for the development of the public private initiatives project at Tacoma Narrows. State funds shall be used initially for the acquisition of right of way and the forensic studies of the existing bridge including

purchase of equipment necessary to conduct the studies. The balance of state funds not required for acquisition of right of way and forensic studies shall be placed with the designated bond trustee at the same time the privately secured debt proceeds are deposited.

(b) The \$50,000,000 provided in (a) of this subsection includes \$5,527,000 in proceeds from the sale of bonds authorized in RCW 47.10.834 for all forms of cash contributions, or payment of other costs incident to the location, development, design, right of way, and construction of the Tacoma narrows bridge improvements under the public-private transportation initiative program authorized under chapter 47.46 RCW.

(9) \$5,800,000 of the motor vehicle account—state appropriation is provided solely for the completion of the weigh stations at Stanwood and Cle Elum along with weigh in motion at those sites and weigh in motion at Fort Lewis Northbound. The Washington state patrol and department of transportation shall work cooperatively to complete these projects.

(10) \$485,000 of the motor vehicle account—state appropriation is a reapportionment provided solely to enable the translake committee to finalize and present its recommendations. Upon presentation of the recommendations, or upon the expenditure of the appropriation provided by this subsection, the department of transportation shall disband the committee.

(11) \$800,000 of the motor vehicle account—state appropriation and \$3,000,000 of the motor vehicle account—federal appropriation are provided solely to the Washington state department of transportation, office of urban mobility, to advance the recommendations of the translake Washington study committee. These funds shall be used to develop a scope of work for an environmental impact statement and related engineering work, including an environmental strategy, a decision process, a statement of purpose and need, and a formal notice of intent. None of the appropriation for the scope of work for the environmental impact statement shall be available to support any activities of the translake Washington study committee.

(12) \$1,166,000 of the motor vehicle fund—state appropriation is provided solely for predesign of the northeast 44th street interchange on I-405. This amount shall be placed into a reserve status until such time as a one-third contribution is made by the city of Renton and a one-third contribution is made by the project developer. If the city and developer contributions are not obtained by October 31, 2000, this amount shall lapse.

(13) The department's work force levels for highway construction for the 1999-2001 biennium shall be 2200 FTEs. Additional work force increases for highway construction are authorized and shall not exceed five percent of the authorized work force. The department shall report quarterly on program delivery and related work force adjustments.

(14) \$1,250,000 of the motor vehicle account—state appropriation is provided solely to establish alternatives for flood management and flood hazard reduction projects in the Chehalis basin.

(a) The department of transportation shall convene a technical committee to develop watershed-based solutions to flooding within the Chehalis basin. The technical committee shall be comprised of representatives of the department of transportation, department of ecology, department of fish and wildlife, the department of community, trade, and economic development, the military department's emergency management division, and affected counties and tribes. The department of transportation shall also seek the participation of the United States army corps of engineers, federal emergency management administration, the United States geological survey, the United States fish and wildlife service, the United States environmental protection agency, and other entities with critical knowledge related to the structural or nonstructural flood hazard reduction projects in the Chehalis basin. Funds shall be distributed by the department of transportation for alternative analysis, mapping, and model testing projects as recommended by the technical committee. The solutions considered by the technical committee shall be consistent with fish and habitat recovery efforts and avoid additional flood hazard to downstream communities. The department of transportation shall present a report to the senate transportation committee and the house of representatives transportation committee by December 1, 1999, regarding findings and progress made by funded projects.

(b) If the federal government makes funds available to accomplish the project described in (a) of this subsection, the department of transportation shall place the appropriation identified in this section in reserve.

**Sec. 209. 2000 2nd sp.s. c 3 s 221 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY
MAINTENANCE—PROGRAM M**

Motor Vehicle Account—State Appropriation	\$	((239,927,000))
		<u>240,627,000</u>
Motor Vehicle Account—Federal Appropriation	\$	((486,000))
		<u>1,486,000</u>
Motor Vehicle Account—Private/Local Appropriation	\$	((3,417,000))
		<u>4,917,000</u>
TOTAL APPROPRIATION	\$	((243,830,000))
		<u>247,030,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) If portions of the appropriations in this section are required to fund maintenance work resulting from major disasters not covered by federal emergency funds such as fire, flooding, and major slides, supplemental appropriations will be requested to restore state funding for ongoing maintenance activities.

(2) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall place an equal

amount of the motor vehicle fund—state into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.

(3) The department shall not close any highway rest areas but shall continue to operate and maintain all existing rest areas. The department shall convene a panel of stakeholders to evaluate innovative financing options and partnership opportunities at safety rest areas on state highways. At a minimum, the evaluation shall include: (a) A survey of relevant laws that impact the state's ability to create public-private partnerships or utilize innovative financing techniques for the maintenance and operation of safety rest areas; and (b) an identification of maintenance and operation activities necessary to ensure continuous operation of safety rest areas. By December 1, 2000, the stakeholder panel shall make recommendations to the house of representatives and senate transportation committees and the office of financial management on the feasibility of instituting a pilot project for public-private partnerships or innovative financing of safety rest areas.

Sec. 210. 2000 2nd sp.s. c 3 s 224 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S

Puget Sound Capital Construction Account—	
State Appropriation	\$ 2,989,000
Motor Vehicle Account—State Appropriation	\$ ((84,062,000))
	<u>84,262,000</u>
Motor Vehicle Account—Federal Appropriation	\$ ((+25,000))
	<u>462,000</u>
Puget Sound Ferry Operations Account—	
State Appropriation	\$ 6,353,000
Transportation Account—State Appropriation	\$ 115,000
Multimodal Transportation Account—State	
Appropriation	\$ 1,402,000
<u>Multimodal Transportation Account—Federal</u>	
<u>Appropriation</u>	\$ <u>1,000</u>
TOTAL APPROPRIATION	\$ ((95,046,000))
	<u>95,584,000</u>

The appropriations in this section are subject to the following conditions and limitations and the specified amount is provided solely for that activity:

(1) \$75,000 of the motor vehicle account—state appropriation is provided solely to enable the secretary of transportation to implement a leadership training program at the department of transportation. The program shall include a mentoring component. The department shall develop performance measures to evaluate the effectiveness of the program, including but not limited to a performance measure to determine the effect of the program on employee retention. The department shall provide a progress report on the training program

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to the office of financial management, the senate transportation committee, and the house of representatives transportation committee by December 1, 2000.

(2) Appropriation transfers from transportation management and support to the transportation equipment fund for management information services activities shall be permitted through fiscal year 2000. Effective July 1, 2000, expenditures for these activities shall be charged directly to transportation management and support.

Sec. 211. 2000 2nd sp.s. c 3 s 226 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T

Motor Vehicle Account—State Appropriation	\$	((10,459,000))
		<u>10,211,000</u>
Motor Vehicle Account—Federal Appropriation	\$	17,000,000
Transportation Account—State Appropriation	\$	328,000
Multimodal Transportation Account—State Appropriation	\$	((1,043,000))
		<u>1,291,000</u>
TOTAL APPROPRIATION	\$	28,830,000

Sec. 212. 2000 2nd sp.s. c 3 s 227 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

(1) **FOR PAYMENT OF COSTS OF ATTORNEY GENERAL TORT CLAIMS SUPPORT**

Motor Vehicle Account—State Appropriation	\$	2,913,000
Puget Sound Ferry Operations—State Appropriation	\$	1,155,000

(2) **FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR**

Motor Vehicle Account—State Appropriation	\$	907,000
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(3) **FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES**

Motor Vehicle Account—State Appropriation	\$	((3,693,000))
		<u>3,943,000</u>
<u>Motor Vehicle Account—Federal Appropriation</u>	<u>\$</u>	<u>750,000</u>

The appropriations in this subsection (3) are subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$250,000 of the motor vehicle account—state appropriation is provided solely as a match for federal emergency management funds available to the department of transportation to repair damage caused by the February 28th earthquake.

(4) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL
 Motor Vehicle Account—State Appropriation \$ ((+990,000))
2,240,000

(5) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND
 ADMINISTRATION

Motor Vehicle Account—State Appropriation \$ 11,539,000

(6) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND
 ADMINISTRATION

Motor Vehicle Fund—Puget Sound Ferry Operations Account—
 State Appropriation \$ 3,262,000

(7) FOR PAYMENT OF COSTS OF OFFICE OF MINORITY AND
 WOMEN'S BUSINESS ENTERPRISES

Motor Vehicle Account—State Appropriation \$ 158,000

(8) FOR PAYMENT OF THE DEPARTMENT OF GENERAL
 ADMINISTRATION CAPITAL PROJECTS SURCHARGE

Motor Vehicle Account—State Appropriation \$ 1,100,000

(9) FOR ARCHIVES AND RECORDS MANAGEMENT
 Motor Vehicle Account—State Appropriation \$ 392,000

**Sec. 213. 2000 2nd sp.s. c 3 s 230 (uncodified) is amended to read as follows:
 FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—
 PROGRAM X**

Marine Operating Account—State
 Appropriation \$ 148,330,000

Puget Sound Ferry Operations Account—State
 Appropriation \$ ((+137,587,000))
149,415,000

Multimodal Transportation Account—State
 Appropriation \$ 5,092,000

TOTAL APPROPRIATION \$ ((291,009,000))
302,837,000

The appropriation in this section is subject to the following conditions and
 limitations and specified amounts are provided solely for that activity:

(1) Appropriations in this section shall initially be allotted as appropriated by
 this section. Subsequent allotment modifications shall not permit moneys that are
 provided solely for a specified purpose to be used for other than that purpose.
 After May 1, 2000, after approval by the director of financial management and
 unless specifically prohibited by this act, the department may transfer
 appropriations between the marine operating account—state and the Puget Sound
 ferry operations account—state appropriations. However, the program shall not
 expend more than the total amount appropriated from these accounts.

(2) The appropriation is based on the budgeted expenditure of ~~((29,539,000))~~
\$41,367,000 for vessel operating fuel in the 1999-2001 biennium. If the actual
 cost of fuel is less than this budgeted amount, the excess amount may not be

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expended. If the actual cost exceeds this amount, the department shall request a supplemental appropriation.

(3) The appropriation provides for the compensation of ferry employees. The expenditures for compensation paid to ferry employees during the 1999-2001 biennium may not exceed \$195,690,000 plus a dollar amount, as prescribed by the office of financial management, that is equal to any insurance benefit increase granted general government employees in excess of \$341.75 a month annualized per eligible marine employee multiplied by the number of eligible marine employees for the respective fiscal year, a dollar amount as prescribed by the office of financial management for costs associated with pension amortization charges, and a dollar amount prescribed by the office of financial management for salary increases during the 1999-2001 biennium. For the purposes of this section, the expenditures for compensation paid to ferry employees shall be limited to salaries and wages and employee benefits as defined in the office of financial management's policies, regulations, and procedures named under objects of expenditure "A" and "B" (7.2.6.2).

The prescribed salary and insurance benefit increase or decrease dollar amount that shall be allocated from the governor's compensation appropriations is in addition to the appropriation contained in this section and may be used to increase or decrease compensation costs, effective July 1, 1999, and thereafter, as established in the 1999-2001 general fund operating budget.

(4) The department, when implementing ferry service reductions, shall, to the extent possible, maintain peak hour vehicle and passenger service capacity, summer tourist route capacity, and a fall/winter/spring presence on all auto ferry routes, while ensuring equitable treatment among routes.

(5) The joint task force on ferries is created.

(a) The joint task force on ferries is composed of:

(i) Eight members of the legislature selected as follows:

(A) Four members of the senate, two from each of the major caucuses, to be appointed by the president of the senate, who shall select one of the four senate members as cochair;

(B) Four members of the house of representatives, two from each of the major caucuses, to be appointed by the cospeaker of the respective caucus. The cospeakers shall jointly select one of the four house members as cochair; and

(C) The members appointed from each major caucus of the senate and the house of representatives must include one member from a legislative district that encompasses a terminus of a Washington state ferry route and one from a legislative district that does not include a terminus of a Washington state ferry route;

(ii) At least one person designated by the cochairs representing each of the following:

(A) Ferry advisory committees;

(B) Persons who do not use ferries;

(C) Labor organizations representing ferry workers;

- (D) Washington State Ferries;
- (E) Transit operators;
- (F) The office of financial management; and
- (G) Other groups as deemed appropriate by the cochair of the task force.

(b) The transportation committees shall provide staff support as mutually agreed by the cochair of the joint task force.

(c) The legislative transportation committee shall pay the expenses of the legislative committee members.

(d) The joint task force on ferries shall report to the full legislature at the beginning of the 2001 legislative session. The report must include, but not be limited to, analysis and recommendations on the following:

- (i) Establishment of a long-term goal for recovery of operating costs from fare revenue;
- (ii) Options for further cuts in ferry service or full or partial restoration of ferry service cuts;
- (iii) Feasibility of full or partial privatization of the ferry system, public-private partnerships, or state and local partnerships; and
- (iv) Establishing the short-term and long-term capital needs of the Washington state ferry system.

Sec. 214. 2000 2nd sp.s. c 3 s 232 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z

Motor Vehicle Account—State Appropriation	\$	((83,435,000))
		<u>82,269,000</u>
Motor Vehicle Account—Federal Appropriation	\$	((8,040,000))
		<u>6,190,000</u>
Transportation Account—State Appropriation	\$	321,000
High Capacity Transportation Account—State Appropriation	\$	150,000
Highway Infrastructure Account—Federal Appropriation	\$	1,500,000
Highway Infrastructure Account—State Appropriation	\$	234,000
Multimodal Transportation Account—State Appropriation	\$	10,381,000
Urban Arterial Trust Account—State Appropriation	\$	5,000,000
TOTAL APPROPRIATION	\$	((109,061,000))
		<u>106,045,000</u>

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

- (1) \$40,692,000 of the motor vehicle account—state appropriation is provided solely for the state program share of freight mobility projects as identified by the

freight mobility strategic investment board. The amount provided in this subsection can only be expended upon authorization from the freight mobility strategic investment board.

(2) \$187,000 of the transportation account—state appropriation and \$213,000 of the multimodal transportation account—state appropriation are provided solely for a study by the senate transportation committee and the house of representatives transportation committee in cooperation with the port of Benton developing a strategic corridor feasibility and master site plan for the port of Benton. If the port of Benton does not provide at least \$200,000 to fund the plan development, the transportation fund—state appropriation referenced in this subsection shall lapse and this subsection shall be null and void.

(3) The motor vehicle account—state appropriation includes \$30,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(4) \$10,000,000 of the multimodal transportation account—state appropriation is provided solely to fund the first phase of a multiphase cooperative project with the state of Oregon to dredge the Columbia river. The department shall not expend the appropriation in this section unless agreement on ocean disposal sites has been reached which protects the state's commercial crab fishery. The amount provided in this subsection shall lapse unless the state of Oregon appropriates a dollar-for-dollar match to fund its share of the project.

(5) The motor vehicle account—state appropriation includes \$1,167,000 in proceeds from the sale of bonds authorized by RCW 47.10.819(1). The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(6) \$5,000,000 of the urban arterial trust account—state appropriation is provided solely for a small city pavement preservation program, to be administered by the department's highways and local programs division. The department, in consultation with stakeholders, shall establish program guidelines. The guidelines should include but not be limited to a provision limiting program eligibility to cities with a population of 2,500 or less.

(7) \$15,000,000 of the motor vehicle account—state appropriation is provided solely for a county corridor congestion relief program, to be administered by the department's highways and local programs division. Urban corridors must connect to urban or significant activity centers; begin or end at the intersection of another arterial, state highway, or limited access freeway system; and provide an alternate route to the limited access freeway system. The purpose of the program is to provide funding for congested urban corridors, as defined and selected by the department of transportation in consultation with counties and regional transportation planning organizations. At a minimum, project selection criteria should include: Consistency with regional transportation plans; measurable

improvements in mobility; cost effectiveness; systematic corridor mobility improvements rather than isolated "spot" improvements; and optimal timing for construction.

(8) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for improving traffic and pedestrian safety near schools. The highways and local programs division within the department of transportation shall administer this program. Funds should be used for traffic and pedestrian improvements near schools, including roadway channelization and signalization.

(9) The highways and local programs division within the department of transportation shall develop a prequalification procedure for potential bidders on projects administered or approved by the transportation improvement board. The board shall work with other interested parties including but not limited to associations representing general contractors and the office of minority and women's business enterprises. The prequalification procedure's goal is to ascertain that bidders are qualified by experience, financing, equipment, and organization to do the work called for in the contract documents. The prequalification procedure may require a bidder to (1) satisfy threshold requirements established by the board prior to being furnished a proposal form on any contract; or (2) complete a preaward survey of the bidder's qualification prior to award.

(10) \$2,000,000 of the motor vehicle account—state appropriation is provided solely for city fish passage barrier removal and habitat restoration. Funds should be used for eliminating fish passage barriers, including stormwater facilities, and providing for habitat restoration for salmonid species that are listed as threatened or endangered. The amount provided in this section may only be expended upon authorization from the department of transportation's environmental affairs office.

(11) \$10,000,000 of the motor vehicle fund—state appropriation is provided solely for a city corridor congestion relief program, to be administered by the department's highways and local programs division. Urban corridors must connect to urban or significant activity centers, begin or end at the intersection of another arterial, state highway or limited access freeway system, and provide an alternate route to the limited access freeway system. The purpose of the program is to provide funding for congested urban corridors as defined and selected by the department of transportation in consultation with counties and regional transportation planning organizations. At a minimum, project selection criteria should include: Consistency with regional transportation plans; measurable improvements in mobility; cost effectiveness; systematic corridor mobility improvements rather than isolated "spot" improvements; and optimal timing for construction.

**PART IV
TRANSFERS AND DISTRIBUTIONS**

Sec. 401. 2000 2nd sp.s. c 3 s 401 (uncodified) is amended to read as follows:
**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST,
AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES:
FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR
VEHICLE FUND AND TRANSPORTATION FUND REVENUE**

Highway Bond Retirement Account Appropriation	\$	((161,310,000))	
			<u>154,200,000</u>
Ferry Bond Retirement Account Appropriation	\$	((53,592,000))	
			<u>55,082,000</u>
Transportation Improvement Board Bond Retirement Account—State Appropriation	\$	((35,909,000))	
			<u>35,796,000</u>
Puget Sound Capital Construction Account—State Appropriation	\$	270,000	
Motor Vehicle Account—State Appropriation	\$	((1,960,000))	
			<u>1,600,000</u>
Special Category C Account—State Appropriation	\$	((405,000))	
			<u>100,000</u>
Transportation Improvement Account—State Appropriation	\$	600,000	
TOTAL APPROPRIATION	\$	((254,046,000))	<u>247,648,000</u>

Sec. 402. 2000 2nd sp.s. c 3 s 403 (uncodified) is amended to read as follows:
**FOR THE STATE TREASURER—STATE REVENUES FOR
DISTRIBUTION**

(1) Motor Vehicle Fund Appropriation for motor vehicle fuel tax and overload penalties distribution	\$	((483,325,000))	
			<u>480,986,000</u>
(2) Transportation Fund Appropriation for motor vehicle excise tax distribution	\$	((178,207,000))	
			<u>179,882,000</u>
(3) Multimodal Transportation Account—State Appropriation for motor vehicle excise tax distribution	\$	((52,619,000))	
			<u>52,572,000</u>

Sec. 403. 2000 2nd sp.s. c 3 s 404 (uncodified) is amended to read as follows:
FOR THE STATE TREASURER—TRANSFERS

(1) RV Account—State Appropriation: For transfer to the Motor Vehicle Fund—State	\$	1,865,000
(2) State Patrol Highway Account—State		

Appropriation: For transfer to the Motor Vehicle	
Account—State	\$ 27,000,000
(3) Highway Safety Fund—State Appropriation:	
For transfer to the Multimodal Transportation	
Account—State	\$ 3,220,000
(4) ((Puget Sound Ferry Operations Account—State	
Appropriation: For transfer to the Marine	
Operating Account—State	\$ 1,400,000
—(5)) Public Transportation Systems Account—State Appropriation: For	
transfer to the	
Multimodal Transportation Account—State	\$ 23,182,000
((6)) (5) Transportation Fund—State	
Appropriation: For transfer to the Multimodal	
Transportation Account—State	\$ 28,061,000

The department of transportation shall ~~((only))~~ request the state treasurer to transfer funds provided under subsection (1) of this section only on an as-needed basis.

Sec. 404. 2000 2nd sp.s. c 3 s 405 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRANSFERS

Puget Sound Ferry Operations Account—State	
Appropriation: For transfer to the Puget Sound	
Capital Construction Account—State	\$ 67,000,000
Motor Vehicle Fund—State Appropriation:	
For transfer to the Advanced Environmental	
Mitigation Revolving Account	\$ 1,000,000
Motor Vehicle Fund—State Appropriation:	
For transfer to Puget Sound Capital Construction	
Account	\$ 18,272,000
Transportation Equipment Fund—State	
Appropriation: For transfer to the Motor	
Vehicle Fund	\$ ((2,500,000))
	<u>2,509,000</u>

((High Capacity Transportation Account—State	
Appropriation: For transfer to the Multimodal	
Transportation Account	\$ 2,036,000
—Passenger Ferry Account—State Appropriation:	
For transfer to the Multimodal Transportation	
Account	\$ 235,000))

The department of transportation shall only transfer funds to the Puget Sound capital construction account—state as provided under this subsection on an as-needed basis. The department of transportation shall transfer all unexpended funds from the high capacity transportation account, the passenger ferry account,

the public transportation systems account, and the transportation account to the multimodal transportation account.

**PART VI
PROVISIONS NECESSARY TO IMPLEMENT APPROPRIATIONS**

NEW SECTION. Sec. 601. 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. 602. 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.

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Passed the House June 4, 2001.
Passed the Senate June 5, 2001.
Approved by the Governor June 11, 2001.
Filed in Office of Secretary of State June 11, 2001.

CHAPTER 2

[House Bill 1162]

MEDICAL ASSISTANCE—SMALL, RURAL HOSPITALS

AN ACT Relating to providing state medical assistance reimbursements for small, rural hospitals that meet the criteria of a critical access hospital; adding new sections to chapter 74.09 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that promoting a financially viable health care system in all parts of the state is a paramount interest. The health care financing administration has recognized the crucial role that hospitals play in providing care in rural areas by creating the critical access hospital program to allow small, rural hospitals that qualify to receive reasonable cost-based reimbursement for medicare services. The legislature further finds that creating a similar reimbursement system for the state's medical assistance programs in small, rural hospitals that qualify will help assure the long-term financial viability of the rural health system in those communities.

NEW SECTION. Sec. 2. A new section is added to chapter 74.09 RCW to read as follows:

Payments for recipients eligible for medical assistance programs under this chapter for services provided by hospitals, regardless of the beneficiary's managed care enrollment status, shall be made based on allowable costs incurred during the year, when services are provided by a rural hospital certified by the health care financing administration as a critical access hospital. Any additional payments made by the medical assistance administration for the healthy options program shall be no more than the additional amounts per service paid under this section for other medical assistance programs.

NEW SECTION. Sec. 3. A new section is added to chapter 74.09 RCW to read as follows:

The department shall implement the program created in section 2 of this act within sixty days of the effective date of this act regardless of the beneficiary's managed care status.

NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2001, in the omnibus appropriations act, this act is null and void.

Passed the House June 4, 2001.

Passed the Senate June 8, 2001.

Approved by the Governor June 15, 2001.

Filed in Office of Secretary of State June 15, 2001.

CHAPTER 3

[House Bill 1984]

SMALL FARM DIRECT MARKETING ASSISTANCE PROGRAM

AN ACT Relating to marketing of agricultural products; adding new sections to chapter 15.64 RCW; creating a new section; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that:

(1) Many consumers in this state appreciate and seek out the opportunity to purchase local farm products.

(2) Consumers and small-scale farmers would both benefit from increased opportunities to market farm products locally. Direct marketing provides farmers with the opportunity to realize an increased share of consumers' food dollars and provides consumers with a greater opportunity to support local agriculture and understand farm operations, farm culture, and the role farms play in meeting our food needs.

(3) The state would greatly benefit from a focused effort to increase the economic viability and profitability of small farms through increasing their ability to market their products directly to consumers.

(4) Direct marketing opportunities are often not feasible for farmers to undertake because of market barriers and the difficulty of obtaining information related to marketing.

(5) A direct marketing assistance program for small farmers could provide the needed information, technical assistance, and barrier clearing work that is a key to increasing direct marketing of farm products.

NEW SECTION. Sec. 2. A new section is added to chapter 15.64 RCW to read as follows:

(1) The small farm direct marketing assistance program is created.

(2) The director shall employ a small farm direct marketing assistant.

(3) The small farm direct marketing assistance program shall assist small farms in their direct marketing efforts. In carrying out this duty the program shall:

(a) Assist small farms in complying with federal, state, and local rules and regulations as they apply to direct marketing of agricultural products;

(b) Assist in developing infrastructure to increase direct marketing opportunities for small farms;

(c) Provide information on direct marketing opportunities for small farms;

(d) Promote localized food production systems;

(e) Increase access to information for farmers wishing to sell farm products directly to consumers;

(f) Identify and help reduce market barriers facing small farms in direct marketing;

(g) Assist in developing and submitting proposals to grant programs to assist small farm direct marketing efforts; and

(h) Perform other functions that will assist small farms in directly marketing their products.

(4) This section expires July 1, 2007.

NEW SECTION. Sec. 3. A new section is added to chapter 15.64 RCW to read as follows:

(1) The director shall, by December 1, 2006, issue a report on the accomplishments of the small farm direct marketing assistance program. The report must be submitted to the committees of the senate and the house of representatives that have jurisdiction over agricultural issues. The report must be made available to the public.

(2) This section expires July 1, 2007.

Passed the House June 4, 2001.

Passed the Senate June 7, 2001.

Approved by the Governor June 15, 2001.

Filed in Office of Secretary of State June 15, 2001.

CHAPTER 4

[Substitute House Bill 2227]

EASTERN WASHINGTON VETERANS' HOME

AN ACT Relating to establishing the eastern Washington veterans' home; amending RCW 72.36.035, 72.36.045, 72.36.055, 72.36.060, 43.60A.075, and 72.36.090; adding a new section to chapter 72.36 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The department of veterans affairs indicates that it may acquire and staff an existing one-hundred-bed skilled nursing facility in Spokane and reopen it as an eastern Washington veterans' home by using a combination of funding sources. Funding sources include federal per diem payments, contributions from residents' incomes, and federal and state medicaid payments. In authorizing the establishment of an eastern Washington veterans' home, it is the intent of the legislature that the state general fund shall not provide support in future hiennia for the eastern Washington veterans' home except for amounts required to pay the state share of medicaid costs.

Sec. 2. RCW 72.36.035 and 1993 sp.s. c 3 s 6 are each amended to read as follows:

For purposes of this chapter, unless the context clearly indicates otherwise:

(1) "Actual bona fide residents of this state" means persons who have a domicile in the state of Washington immediately prior to application for admission to a state veterans' home.

(2) "Department" means the Washington state department of veterans affairs.

(3) "Domicile" means a person's true, fixed, and permanent home and place of habitation, and shall be the place where the person intends to remain, and to which the person expects to return when the person leaves without intending to establish a new domicile elsewhere.

(4) "State veterans' homes" means ~~((either))~~ the Washington soldiers' home and colony in Orting, ~~((or))~~ the Washington veterans' home in Retsil, ~~((or both))~~ and the eastern Washington veterans' home.

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(5) "Veteran" has the same meaning established in RCW 41.04.005.

Sec. 3. RCW 72.36.045 and 1977 ex.s. c 186 s 10 are each amended to read as follows:

In the maintenance of the (~~Washington soldiers' home and colony and the Washington~~) state veterans' homes by the state through the department of veterans' affairs, such maintenance shall include, but not be limited to, the provision of members' room and board, medical and dental care, physical and occupational therapy, and recreational activities, with the necessary implementing transportation, equipment, and personnel therefor.

Sec. 4. RCW 72.36.055 and 1977 ex.s. c 186 s 6 are each amended to read as follows:

The (~~soldiers' home and colony at Orting and the Washington~~) state veterans' homes (~~at Rettil~~) shall provide both domiciliary and nursing care. The level of domiciliary members shall remain consistent with the facilities available to accommodate those members: PROVIDED, That nothing in this section shall preclude the department from moving residents between nursing and domiciliary care in order to better utilize facilities and maintain the appropriate care for the members.

Sec. 5. RCW 72.36.060 and 1977 ex.s. c 186 s 3 are each amended to read as follows:

The state treasurer is authorized to receive any and all moneys appropriated or paid by the United States under the act of congress entitled "An Act to provide aid to state or territorial homes for disabled soldiers and sailors of the United States," approved August 27, 1888, or under any other act or acts of congress for the benefit of such homes. Such moneys shall be deposited in the general fund and shall be expended for the maintenance of the (~~soldiers' home and~~) state veterans' homes.

NEW SECTION. Sec. 6. A new section is added to chapter 72.36 RCW to read as follows:

There shall be established and maintained in this state a branch of the state soldiers' home, under the name of the "eastern Washington veterans' home," which branch shall be a home for veterans and their spouses who meet admission requirements contained in RCW 72.36.030.

Sec. 7. RCW 43.60A.075 and 1977 c 31 s 5 are each amended to read as follows:

The director of the department of veterans affairs shall have full power to manage and govern the state soldiers' home and colony (~~and~~), the Washington veterans' home, and the eastern Washington veterans' home.

Sec. 8. RCW 72.36.090 and 1977 ex.s. c 186 s 9 are each amended to read as follows:

The superintendents of the state (~~soldiers' home and colony and the state~~) veterans' homes are hereby authorized to:

(1) Institute programs of hobby promotion designed to improve the general welfare and mental condition of the persons under their supervision;

(2) Provide for the financing of these programs by grants from funds in the superintendent's custody through operation of canteens and exchanges at such institutions;

(3) Limit the hobbies sponsored to projects which will, in their judgment, be self-liquidating or self-sustaining.

Passed the House June 4, 2001.

Passed the Senate June 8, 2001.

Approved by the Governor June 15, 2001.

Filed in Office of Secretary of State June 15, 2001.

CHAPTER 5

[House Bill 2233]

SUPPLEMENTAL SECURITY INCOME—STATE SUPPLEMENTATION

AN ACT Relating to contractual agreements with federal government for administration of state supplementation of supplemental security income; and amending RCW 74.04.630.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.04.630 and 1986 c 158 s 22 are each amended to read as follows:

The department (~~shall~~) may enter into contractual agreements with the United States department of health, education and welfare, consistent with the provisions of Public Laws 92-603 and 93-66, and to be effective January 1, 1974, for the purpose of enabling the secretary of the department of health, education and welfare to perform administrative functions of state supplementation to the national supplemental security income program and the determination of medicaid eligibility on behalf of the state. The department is authorized to transfer and make payments of state funds to the secretary of the department of health, education and welfare as required by Public Laws 92-603 and 93-66(~~(: PROVIDED, HOWEVER, That such)~~). These agreements shall be submitted for review and comment to the social and health services committees of the senate and house of representatives. The department of social and health services shall administer the state supplemental program as established in RCW 74.04.620.

Passed the House June 4, 2001.

Passed the Senate June 8, 2001.

Approved by the Governor June 15, 2001.

Filed in Office of Secretary of State June 15, 2001.

CHAPTER 6

[Engrossed House Bill 2266]

COMMODITY BOARDS, COMMISSIONS—MEMBERS' REIMBURSEMENT

Ch. 6 WASHINGTON LAWS, 2001 2nd Sp. Sess.

AN ACT Relating to reimbursement of members and employees of commodity boards and commissions; and amending RCW 15.65.270 and 15.66.130.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 15.65.270 and 1984 c 287 s 16 are each amended to read as follows:

In the event of a vacancy on the board, the remaining members shall select a qualified person to fill the unexpired term. A majority of the voting members of the board shall constitute a quorum for the transaction of all business and the carrying out of all duties of the board. Each member of the board shall be compensated in accordance with RCW 43.03.230 ~~((and staff))~~. Members and employees of the board may be reimbursed for actual travel expenses incurred in carrying out the provisions of this chapter, as defined under the commodity board's marketing order. Otherwise, if not defined or referenced in the marketing order, reimbursement for travel expenses shall be at the rates allowed state employees in accordance with RCW 43.03.050 and 43.03.060.

Sec. 2. RCW 15.66.130 and 1984 c 287 s 17 are each amended to read as follows:

Each commodity commission shall hold such regular meetings as the marketing order may prescribe or that the commission by resolution may prescribe, together with such special meetings that may be called in accordance with provisions of its resolutions upon reasonable notice to all members thereof. A majority of the members shall constitute a quorum for the transaction of all business of the commission. In the event of a vacancy in an elected or appointed position on the commission, the remaining elected members of the commission shall select a qualified person to fill the unexpired term.

Each member of the commission shall be compensated in accordance with RCW 43.03.230 ~~((and staff))~~. Members and employees of the commission may be reimbursed for actual travel expenses incurred in carrying out the provisions of this chapter, as defined under the commodity board's marketing order. Otherwise, if not defined or referenced in the marketing order, reimbursement for travel expenses shall be in accordance with RCW 43.03.050 and 43.03.060.

Passed the House June 4, 2001.

Passed the Senate June 7, 2001.

Approved by the Governor June 15, 2001.

Filed in Office of Secretary of State June 15, 2001.

CHAPTER 7

[Engrossed Substitute Senate Bill 6153]

FISCAL MATTERS

AN ACT Relating to fiscal matters; amending RCW 43.320.110, 76.12.110, 49.70.170, 43.08.250, 82.14.310, 43.72.902, 43.79.465, 46.10.040, 72.11.040, 69.50.520, 79A.05.070, and 70.146.030; amending 2000 2nd sp.s. c 1 s 603 (uncodified); creating new sections; making appropriations; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION, Sec. 1. (1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through VIII of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 2001, and ending June 30, 2003, except as otherwise provided, out of the several funds of the state hereinafter named.

(2) Unless the context clearly requires otherwise, the definitions in this section apply throughout this act.

(a) "Fiscal year 2002" or "FY 2002" means the fiscal year ending June 30, 2002.

(b) "Fiscal year 2003" or "FY 2003" means the fiscal year ending June 30, 2003.

(c) "FTE" means full time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is unnecessary to fulfill the specified purpose shall lapse.

***NEW SECTION, Sec. 2.** *If at any time during the 2001-2003 fiscal biennium the state general fund is projected to have a cash deficit as defined by RCW 43.88.050:*

(1) The governor shall first exercise his or her authority to make across the board allotment reductions pursuant to RCW 43.88.110.

(2) The governor, in preparing any supplemental budget requests, after making any program reductions, shall first propose expenditure of emergency reserve funds to respond to any remaining general fund cash deficit prior to proposing any general fund tax increase.

(3) The legislature, in adopting any supplemental budget, after making any program reductions, shall first make appropriations from the emergency reserve fund to respond to any remaining general fund cash deficit prior to authorizing any general fund tax increase.

*Sec. 2 was vetoed. See message at end of chapter.

**PART I
GENERAL GOVERNMENT**

NEW SECTION, Sec. 101. FOR THE HOUSE OF REPRESENTATIVES

General Fund—State Appropriation (FY 2002)	\$	28,313,000
General Fund—State Appropriation (FY 2003)	\$	28,497,000
Department of Retirement Systems Expense Account—		

Ch. 7 WASHINGTON LAWS, 2001 2nd Sp. Sess.

State Appropriation	\$	45,000
TOTAL APPROPRIATION	\$	56,855,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000 of the general fund—state appropriation is provided solely for allocation to Project Citizen, a program of the national conference of state legislatures to promote student civic involvement.

(2) \$15,000 of the general fund—state appropriation for fiscal year 2002 is provided for the legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

NEW SECTION, Sec. 102. FOR THE SENATE

General Fund—State Appropriation (FY 2002)	\$	22,863,000
General Fund—State Appropriation (FY 2003)	\$	23,999,000
Department of Retirement Systems Expense Account—		
State Appropriation	\$	45,000
TOTAL APPROPRIATION	\$	46,907,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000 of the general fund—state appropriation is provided solely for allocation to Project Citizen, a program of the national conference of state legislatures to promote student civic involvement.

(2) \$15,000 of the general fund—state appropriation for fiscal year 2002 is provided for the legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

NEW SECTION, Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

General Fund—State Appropriation (FY 2002)	\$	2,436,000
General Fund—State Appropriation (FY 2003)	\$	1,938,000
TOTAL APPROPRIATION	\$	4,374,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$150,000 of the general fund—state appropriation for fiscal year 2002 and \$75,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the joint legislative audit and review committee to conduct an evaluation of the client outcomes of the high school transition program operated by the department of social and health services division of developmental disabilities. The study shall identify the different approaches that have been used in providing transition services and whether some approaches are more or less successful in helping young adults with developmental disabilities achieve greater levels of independence. The study shall evaluate how transition programs reduce the level of support provided to clients as they achieve greater levels of independence, and

shall be submitted to the appropriate committees of the legislature by December 1, 2002.

(2) \$50,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the joint legislative audit and review committee to conduct a capacity planning study of the capital facilities of the state school for the deaf. The committee's study shall be carried out in conjunction with the study of educational service delivery models conducted by the state institute for public policy. The study shall be submitted to the fiscal committees of the legislature by September 30, 2002.

(3) \$35,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the joint legislative audit and review committee to conduct a review of water conservancy boards. The review shall include an assessment of the operating costs of existing boards; the sources of funding for board operations; sources of in-kind support for board operations; assessment of the value of water rights subject to change or transfer decisions; the range of costs of processing water right transfer applications by the boards as well as by the department of ecology for applications filed directly with the department; the costs to the department of training, assistance, and review of board recommendations on applications; board membership and board recordkeeping; and public participation procedures for both the water conservancy boards and the department of ecology. The committee shall submit its review by January 1, 2003, to the appropriate policy and fiscal committees of the legislature.

(4) \$40,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for a follow-up review to report number 98-3, the performance audit of the department of corrections. The follow-up study shall include but not be limited to a review of:

- (a) Community supervision activities performed by the department;
- (b) The implementation of risk-based classification and community placement models;
- (c) The early implementation of the offender accountability act; and
- (d) The cost impacts of the risk-based models and the offender accountability act.

The committee shall consult with the Washington state institute for public policy regarding data and findings from the institute's current studies on these issues. A report of the follow-up study shall be submitted to the relevant policy and fiscal committees of the legislature by December 21, 2001. Upon the completion of the follow-up review, the committee shall make a determination whether an additional phase of study is needed. If further study is indicated, the committee shall submit to the relevant policy and fiscal committees of the legislature its plan and cost estimate for such study by March 29, 2002.

(5) \$140,000 of the general fund—state appropriation for fiscal year 2002 is provided for a study of children's mental health in Washington. The study shall include but not be limited to:

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- (a) A review of plans and services for children, including those for early periodic screening, diagnosis, and treatment;
- (b) A review of the implementation of the plans;
- (c) A review of the availability and reliability of fiscal, program, and outcome data relating to mental health services provided to children; and
- (d) A survey of mental health services for children among the state's regional support networks.

The committee shall make recommendations, as appropriate, for the improvement of services and system performance, including the need for performance and client outcome measures. The committee may contract for consulting services in conducting the study. The committee shall submit a report to the appropriate policy and fiscal committees of the legislature by July 1, 2002.

(6) Within the amounts provided in this section, the joint legislative audit and review committee shall conduct a study of the Washington management service. The study shall include findings regarding (a) growth in the number of positions in the Washington management service, (b) growth in salary levels and structure since the Washington management service's inception, and (c) other compensation practices used within the Washington management service. The department of personnel shall cooperate with the committee in conducting the study and provide information as requested by the committee. The committee shall provide a report to the fiscal committees of the legislature by December 31, 2001.

(7) Within the amounts provided in this section, the joint legislative audit and review committee shall review all aspects of the mental health prevalence study completed in accordance with section 204 of this act, including but not limited to the contractor selection process, if any; the study design and workplan; the implementation of the study; and the draft and final reports.

(8) The committee shall study and report on pipeline safety as provided in section 149 of this act.

NEW SECTION. Sec. 104. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

General Fund—State Appropriation (FY 2002)	\$	1,329,000
General Fund—State Appropriation (FY 2003)	\$	1,462,000
Public Works Assistance Account—State		
Appropriation	\$	203,000
TOTAL APPROPRIATION	\$	2,994,000

NEW SECTION. Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY

Department of Retirement Systems Expense Account—		
State Appropriation	\$	1,923,000

The appropriation in this section is subject to the following conditions and limitations: The joint committee on pension policy, in collaboration with various interested parties, shall study issues of pension governance and recommend legislation for consideration in the 2002 legislative session.

NEW SECTION. Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

General Fund—State Appropriation (FY 2002)	\$	6,421,000
General Fund—State Appropriation (FY 2003)	\$	7,043,000
TOTAL APPROPRIATION	\$	13,464,000

NEW SECTION. Sec. 107. FOR THE STATUTE LAW COMMITTEE

General Fund—State Appropriation (FY 2002)	\$	3,909,000
General Fund—State Appropriation (FY 2003)	\$	4,038,000
TOTAL APPROPRIATION	\$	7,947,000

The appropriations in this section are subject to the following conditions and limitations: \$41,000 of the general fund fiscal year 2002 appropriation and \$43,000 of the general fund fiscal year 2003 appropriation are provided solely for the uniform legislation commission.

NEW SECTION. Sec. 108. LEGISLATIVE AGENCIES. In order to achieve operating efficiencies within the financial resources available to the legislative branch, the executive rules committee of the house of representatives and the facilities and operations committee of the senate by joint action may transfer funds among the house of representatives, senate, joint legislative audit and review committee, legislative evaluation and accountability program committee, legislative transportation committee, office of the state actuary, joint legislative systems committee, and statute law committee.

NEW SECTION. Sec. 109. FOR THE SUPREME COURT

General Fund—State Appropriation (FY 2002)	\$	5,423,000
General Fund—State Appropriation (FY 2003)	\$	5,510,000
TOTAL APPROPRIATION	\$	10,933,000

NEW SECTION. Sec. 110. FOR THE LAW LIBRARY

General Fund—State Appropriation (FY 2002)	\$	1,982,000
General Fund—State Appropriation (FY 2003)	\$	1,983,000
TOTAL APPROPRIATION	\$	3,965,000

NEW SECTION. Sec. 111. FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2002)	\$	12,746,000
General Fund—State Appropriation (FY 2003)	\$	12,878,000
TOTAL APPROPRIATION	\$	25,624,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$505,000 of the general fund—state appropriation for fiscal year 2002 and \$606,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for lease increases associated with the division I facility. Within the funds provided in this subsection, the court of appeals shall conduct a space planning study exploring options dealing with remodeling existing space to accommodate needs and evaluating the cost and benefits of moving to another location.

(2) \$168,000 of the general fund—state appropriation for fiscal year 2002 and \$159,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for providing compensation adjustments to nonjudicial staff of the court of appeals. Within the funds provided in this subsection, the court of appeals shall determine the specific positions to receive compensation adjustments based on recruitment and retention difficulties, new duties or responsibilities assigned, and salary inversion or compression within the court of appeals.

NEW SECTION. Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT

General Fund—State Appropriation (FY 2002)	\$	955,000
General Fund—State Appropriation (FY 2003)	\$	969,000
TOTAL APPROPRIATION	\$	1,924,000

NEW SECTION. Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2002)	\$	14,247,000
General Fund—State Appropriation (FY 2003)	\$	14,386,000
Public Safety and Education Account—State Appropriation	\$	29,634,000
Judicial Information Systems Account—State Appropriation	\$	27,758,000
TOTAL APPROPRIATION	\$	86,025,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding provided in the judicial information systems account appropriation shall be used for the operations and maintenance of technology systems that improve services provided by the supreme court, the court of appeals, the office of public defense, and the administrator for the courts.

(2) No moneys appropriated in this section may be expended by the administrator for the courts for payments in excess of fifty percent of the employer contribution on behalf of superior court judges for insurance and health care plans and federal social security and medicare and medical aid benefits. As required by Article IV, section 13 of the state Constitution and 1996 Attorney General's Opinion No. 2, it is the intent of the legislature that the costs of these employer contributions shall be shared equally between the state and county or counties in which the judges serve. The administrator for the courts shall continue to implement procedures for the collection and disbursement of these employer contributions. During each fiscal year in the 2001-03 biennium, the office of the administrator for the courts shall send written notice to the office of community development in the department of community, trade, and economic development when each county pays its fifty percent share for the year.

(3) \$223,000 of the public safety and education account appropriation is provided solely for the gender and justice commission.

(4) \$308,000 of the public safety and education account appropriation is provided solely for the minority and justice commission.

(5) \$278,000 of the general fund—state appropriation for fiscal year 2002, \$285,000 of the general fund—state appropriation for fiscal year 2003, and \$263,000 of the public safety and education account appropriation are provided solely for the workload associated with tax warrants and other state cases filed in Thurston county.

(6) \$750,000 of the general fund—state appropriation for fiscal year 2002 and \$750,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for court-appointed special advocates in dependency matters. The administrator for the courts, after consulting with the association of juvenile court administrators and the association of court-appointed special advocate/guardian ad litem programs, shall distribute the funds to volunteer court-appointed special advocate/guardian ad litem programs. The distribution of funding shall be based on the number of children who need volunteer court-appointed special advocate representation and shall be equally accessible to all volunteer court-appointed special advocate/guardian ad litem programs. The administrator for the courts shall not retain more than six percent of total funding to cover administrative or any other agency costs.

(7) \$750,000 of the public safety and education account—state appropriation is provided solely for judicial program enhancements. Within the funding provided in this subsection, the administrator for the courts, in consultation with the supreme court, shall determine the program or programs to receive an enhancement. Among the programs that may be funded from the amount provided in this subsection are unified family courts.

(8) \$1,618,000 of the public safety and education account—state appropriation is provided solely for increases for juror pay. The office of the administrator for the courts may contract with local governments to provide additional juror pay. The contract shall provide that the local government is responsible for the first ten dollars of juror compensation for each day or partial day of jury service, and the state shall reimburse the local government for any additional compensation, excluding the first day, up to a maximum of fifteen dollars per day.

NEW SECTION. Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE

General Fund—State Appropriation (FY 2002)	\$	600,000
Public Safety and Education Account—State		
Appropriation	\$	12,626,000
TOTAL APPROPRIATION	\$	13,226,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$233,000 of the public safety and education account appropriation is provided solely to increase the reimbursement for private attorneys providing constitutionally mandated indigent defense in nondeath penalty cases.

(2) \$51,000 of the public safety and education account appropriation is provided solely for the implementation of chapter 303, Laws of 1999 (court funding).

(3) Amounts provided from the public safety and education account appropriation in this section include funding for investigative services in death penalty personal restraint petitions.

(4) The entire general fund—state appropriation is provided solely for the continuation of a dependency and termination legal representation funding pilot program.

(a) The goal of the pilot program shall be to enhance the quality of legal representation in dependency and termination hearings, thereby reducing the number of continuances requested by contract attorneys, including those based on the unavailability of defense counsel. To meet the goal, the pilot shall include the following components:

(i) A maximum caseload requirement of 90 dependency and termination cases per full-time attorney;

(ii) Implementation of enhanced defense attorney practice standards, including but not limited to those related to reasonable case preparation and the delivery of adequate client advice, as developed by Washington state public defense attorneys and included in the office of public defense December 1999 report *Costs of Defense and Children's Representation in Dependency and Termination Hearings*;

(iii) Use of investigative and expert services in appropriate cases; and

(iv) Effective implementation of indigency screening of all dependency and termination parents, guardians, and legal custodians represented by appointed counsel.

(b) The pilot program shall be established in one eastern and one western Washington juvenile court.

(c) The director shall contract for an independent evaluation of the pilot program benefits and costs. A final evaluation shall be submitted to the governor and the fiscal committees of the legislature no later than February 1, 2002.

(d) The chair of the office of public defense advisory committee shall appoint an implementation committee to:

(i) Develop criteria for a statewide program to improve dependency and termination defense;

(ii) Examine caseload impacts to the courts resulting from improved defense practices; and

(iii) Identify methods for the efficient use of expert services and means by which parents may effectively access services.

If sufficient funds are available, the office of public defense shall contract with the Washington state institute for public policy to research how reducing dependency and termination case delays affects foster care and to identify factors that are reducing the number of family reunifications that occur in dependency and termination cases.

(5) \$50,000 of the public safety and education account—state appropriation is provided solely for the evaluation required in chapter 92, Laws of 2000 (DNA testing).

(6) \$235,000 of the public safety and education account—state appropriation is provided solely for the office of public defense to contract with an existing public defender association to establish a capital defense assistance center.

NEW SECTION. Sec. 115. FOR THE OFFICE OF THE GOVERNOR

General Fund—State Appropriation (FY 2002)	\$	4,537,000
General Fund—State Appropriation (FY 2003)	\$	4,524,000
General Fund—Federal Appropriation	\$	219,000
Water Quality Account—State		
Appropriation	\$	3,908,000
TOTAL APPROPRIATION	\$	13,188,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,908,000 of the water quality account appropriation and \$219,000 of the general fund—federal appropriation are provided solely for the Puget Sound water quality action team to implement the Puget Sound work plan and agency action items PSAT-01 through PSAT-05.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2002 and \$100,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the salmon recovery office to support the efforts of the independent science panel.

NEW SECTION. Sec. 116. FOR THE LIEUTENANT GOVERNOR

General Fund—State Appropriation (FY 2002)	\$	449,000
General Fund—State Appropriation (FY 2003)	\$	451,000
TOTAL APPROPRIATION	\$	900,000

NEW SECTION. Sec. 117. FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund—State Appropriation (FY 2002)	\$	1,910,000
General Fund—State Appropriation (FY 2003)	\$	1,903,000
TOTAL APPROPRIATION	\$	3,813,000

NEW SECTION. Sec. 118. FOR THE SECRETARY OF STATE

General Fund—State Appropriation (FY 2002)	\$	10,513,000
General Fund—State Appropriation (FY 2003)	\$	8,707,000
Archives and Records Management Account—State		
Appropriation	\$	7,295,000
Archives and Records Management Account—Private/		
Local Appropriation	\$	3,860,000
Department of Personnel Service Account		
Appropriation	\$	719,000
TOTAL APPROPRIATION	\$	31,094,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,296,000 of the general fund—state appropriation for fiscal year 2002 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2) \$2,193,000 of the general fund—state appropriation for fiscal year 2002 and \$2,712,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

(3) \$125,000 of the general fund—state appropriation for fiscal year 2002 and \$125,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for legal advertising of state measures under RCW 29.27.072.

(4)(a) \$1,944,004 of the general fund—state appropriation for fiscal year 2002 and \$1,986,772 of the general fund—state appropriation for fiscal year 2003 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2001-2003 biennium. An eligible nonprofit organization must be formed solely for the purpose of, and be experienced in, providing gavel-to-gavel television coverage of state government deliberations and other events of statewide significance and must have received a determination of tax-exempt status under section 501(c)(3) of the federal internal revenue code. The funding level for each year of the contract shall be based on the amount provided in this subsection and adjusted to reflect the implicit price deflator for the previous year. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in (a) and (b) of this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a four-year contract with the nonprofit organization to provide public affairs coverage through June 30, 2006.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political

subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(5)(a) \$149,316 of the archives and records management—state appropriation and \$597,266 of the archives and records management—private/local appropriation are provided solely for the construction of an eastern regional archives. The amounts provided in this subsection shall lapse if:

(i) The financing contract for the construction of an eastern regional archives building is not authorized in the capital budget for the 2001-03 fiscal biennium; or

(ii) Substitute House Bill No. 1926 (increasing the surcharge on county auditor recording fees) is not enacted by July 31, 2001.

(b) \$613,879 of the archives and records management—state appropriation and \$463,102 of the archives and records management—private/local appropriation are provided solely for the design and establishment of an electronic data archive, including the acquisition of hardware and software. The amounts provided in this subsection shall lapse if:

(i) The financing contract for acquisition of technology hardware and software for the electronic data archive is not authorized in the capital budget for the 2001-03 fiscal biennium; or

(ii) Substitute House Bill No. 1926 (increasing the surcharge on county auditor recording fees) is not enacted by June 30, 2001.

(6) If the financing contract for expansion of the state records center is not authorized in the capital budget for fiscal biennium 2001-03, then \$641,000 of the archives and records management account—state appropriation shall lapse.

(7) \$867,000 of the archives and records management account—state appropriation is provided solely for operation of the central microfilming bureau under RCW 40.14.020(8).

NEW SECTION. Sec. 119. FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS

General Fund—State Appropriation (FY 2002)	\$	269,000
General Fund—State Appropriation (FY 2003)	\$	282,000
TOTAL APPROPRIATION	\$	551,000

NEW SECTION. Sec. 120. FOR THE COMMISSION ON ASIAN-AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2002)	\$	233,000
General Fund—State Appropriation (FY 2003)	\$	233,000
TOTAL APPROPRIATION	\$	466,000

**NEW SECTION. Sec. 121. FOR THE STATE TREASURER
State Treasurer's Service Account—State**

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Appropriation \$ 12,870,000

NEW SECTION. Sec. 122. FOR THE REDISTRICTING COMMISSION

General Fund—State Appropriation (FY 2002) \$ 856,000
 General Fund—State Appropriation (FY 2003) \$ 20,000
 TOTAL APPROPRIATION \$ 876,000

The appropriations in this section are subject to the following conditions and limitations: On January 1, 2003, any unspent portions of this appropriation shall be deposited in the common school construction fund.

***NEW SECTION. Sec. 123. FOR THE STATE AUDITOR**

General Fund—State Appropriation (FY 2002) \$ 1,078,000
 General Fund—State Appropriation (FY 2003) \$ 1,324,000
 State Auditing Services Revolving Account—State
 Appropriation \$ 13,540,000
 TOTAL APPROPRIATION \$ 15,942,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Audits of school districts by the division of municipal corporations shall include findings regarding the accuracy of: (a) Student enrollment data; and (b) the experience and education of the district's certified instructional staff, as reported to the superintendent of public instruction for allocation of state funding.

(2) \$910,000 of the general fund—state appropriation for fiscal year 2002 and \$910,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

(3) \$300,000 of the general fund—state appropriation for fiscal year 2002 and \$300,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the state auditor to conduct performance audits of three governmental entities as demonstration audits for state and local government agencies. Each audit shall include a financial history and shall identify and review performance measures, benchmarks, quality management practices, and efficiencies achieved. The state auditor may contract for consulting services in completing these audits. The state auditor shall report findings from these audits to the appropriate legislative committees by December 1, 2002.

*Sec. 123 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

General Fund—State Appropriation (FY 2002) \$ 80,000
 General Fund—State Appropriation (FY 2003) \$ 152,000

TOTAL APPROPRIATION	\$	232,000
NEW SECTION. Sec. 125. FOR THE ATTORNEY GENERAL		
General Fund—State Appropriation (FY 2002)	\$	4,811,000
General Fund—State Appropriation (FY 2003)	\$	4,806,000
General Fund—Federal Appropriation	\$	2,868,000
Public Safety and Education Account—State		
Appropriation	\$	1,789,000
Tobacco Prevention and Control Account		
Appropriation	\$	277,000
New Motor Vehicle Arbitration Account—State		
Appropriation	\$	1,163,000
Legal Services Revolving Account—State		
Appropriation	\$	147,306,000
TOTAL APPROPRIATION	\$	163,020,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year.

(2) The attorney general and the office of financial management shall modify the attorney general billing system to meet the needs of user agencies for greater predictability, timeliness, and explanation of how legal services are being used by the agency. The attorney general shall provide the following information each month to agencies receiving legal services: (a) The full-time equivalent attorney services provided for the month; (b) the full-time equivalent investigator services provided for the month; (c) the full-time equivalent paralegal services provided for the month; and (d) direct legal costs, such as filing and docket fees, charged to the agency for the month.

(3) Prior to entering into any negotiated settlement of a claim against the state, that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on appropriations.

NEW SECTION. Sec. 126. FOR THE CASELOAD FORECAST COUNCIL

General Fund—State Appropriation (FY 2002)	\$	631,000
General Fund—State Appropriation (FY 2003)	\$	619,000
TOTAL APPROPRIATION	\$	1,250,000

NEW SECTION. Sec. 127. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

General Fund—State Appropriation (FY 2002)	\$	71,083,500
General Fund—State Appropriation (FY 2003)	\$	70,873,500

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General Fund—Federal Appropriation	\$	173,342,000
General Fund—Private/Local Appropriation	\$	7,980,000
Public Safety and Education Account—State Appropriation	\$	10,300,000
Public Works Assistance Account—State Appropriation	\$	1,911,000
Film and Video Promotion Account—State Appropriation	\$	25,000
building Code Council Account—State Appropriation	\$	1,061,000
Administrative Contingency Account—State Appropriation	\$	1,777,000
Low-Income Weatherization Assistance Account—State Appropriation	\$	3,292,000
Violence Reduction and Drug Enforcement Account— State Appropriation	\$	6,081,000
Manufactured Home Installation Training Account— State Appropriation	\$	256,000
Community Economic Development Account— State Appropriation	\$	113,000
Washington Housing Trust Account—State Appropriation	\$	5,597,000
Public Facility Construction Loan Revolving Account—State Appropriation	\$	550,000
TOTAL APPROPRIATION	\$	354,242,000

The appropriations in this section are subject to the following conditions and limitations:

(1) It is the intent of the legislature that the department of community, trade, and economic development receive separate programmatic allotments for the office of community development and the office of trade and economic development. Any appropriation made to the department of community, trade, and economic development for carrying out the powers, functions, and duties of either office shall be credited to the appropriate office.

(2) \$3,085,000 of the general fund—state appropriation for fiscal year 2002 and \$3,085,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for a contract with the Washington technology center. For work essential to the mission of the Washington technology center and conducted in partnership with universities, the center shall not pay any increased indirect rate nor increases in other indirect charges above the absolute amount paid during the 1995-97 fiscal biennium.

(3) \$61,000 of the general fund—state appropriation for fiscal year 2002 and \$62,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item OCD-01.

(4) \$10,403,445 of the general fund—federal appropriation is provided solely for the drug control and system improvement formula grant program, to be distributed in state fiscal year 2002 as follows:

(a) \$3,603,250 to local units of government to continue multijurisdictional narcotics task forces;

(b) \$620,000 to the department to continue the drug prosecution assistance program in support of multijurisdictional narcotics task forces;

(c) \$1,363,000 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces and for methamphetamine education and response;

(d) \$200,000 to the department for grants to support tribal law enforcement needs;

(e) \$991,000 to the department of social and health services, division of alcohol and substance abuse, for drug courts in eastern and western Washington;

(f) \$302,551 to the department for training and technical assistance of public defenders representing clients with special needs;

(g) \$88,000 to the department to continue a substance abuse treatment in jails program, to test the effect of treatment on future criminal behavior;

(h) \$697,075 to the department to continue domestic violence legal advocacy;

(i) \$903,000 to the department of social and health services, juvenile rehabilitation administration, to continue youth violence prevention and intervention projects;

(j) \$60,000 to the Washington association of sheriffs and police chiefs to complete the state and local components of the national incident-based reporting system;

(k) \$60,000 to the department for community-based advocacy services to victims of violent crime, other than sexual assault and domestic violence;

(l) \$91,000 to the department to continue the governor's council on substance abuse;

(m) \$99,000 to the department to continue evaluation of Byrne formula grant programs;

(n) \$500,469 to the office of financial management for criminal history records improvement; and

(o) \$825,100 to the department for required grant administration, monitoring, and reporting on Byrne formula grant programs.

These amounts represent the maximum Byrne grant expenditure authority for each program. No program may expend Byrne grant funds in excess of the amounts provided in this subsection. If moneys in excess of those appropriated in this subsection become available, whether from prior or current fiscal year Byrne grant distributions, the department shall hold these moneys in reserve and may not expend them without specific appropriation. These moneys shall be carried forward and applied to the pool of moneys available for appropriation for programs and projects in the succeeding fiscal year. As part of its budget request

for the succeeding year, the department shall estimate and request authority to spend any funds remaining in reserve as a result of this subsection.

(5) \$470,000 of the general fund—state appropriation for fiscal year 2002 and \$470,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for rural economic development activities including \$200,000 for the Washington manufacturing service, and \$100,000 for business retention and expansion.

(6) \$1,250,000 of the general fund—state appropriation for fiscal year 2002 and \$1,250,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for grants to operate, repair, and staff shelters for homeless families with children.

(7) \$2,500,000 of the general fund—state appropriation for fiscal year 2002 and \$2,500,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for grants to operate transitional housing for homeless families with children. The grants may also be used to make partial payments for rental assistance.

(8) \$1,250,000 of the general fund—state appropriation for fiscal year 2002 and \$1,250,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for consolidated emergency assistance to homeless families with children.

(9) \$205,000 of the general fund—state appropriation for fiscal year 2002 and \$205,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for grants to Washington Columbia river gorge counties to implement their responsibilities under the national scenic area management plan. Of this amount, \$390,000 is provided for Skamania county and \$20,000 is provided for Clark county.

(10) \$698,000 of the general fund—state appropriation for fiscal year 2002, \$698,000 of the general fund—state appropriation for fiscal year 2003, and \$1,101,000 of the administrative contingency account appropriation are provided solely for contracting with associate development organizations to maintain existing programs.

(11) \$600,000 of the public safety and education account appropriation is provided solely for sexual assault prevention and treatment programs.

(12) \$680,000 of the Washington housing trust account appropriation is provided solely to conduct a pilot project designed to lower infrastructure costs for residential development.

(13) \$50,000 of the general fund—state appropriation for fiscal year 2002 and \$50,000 of the general fund—state appropriation for fiscal year 2003 are provided to the department solely for providing technical assistance to developers of housing for farmworkers.

(14) \$370,000 of the general fund—state appropriation for fiscal year 2002, \$371,000 of the general fund—state appropriation for fiscal year 2003, and \$25,000 of the film and video promotion account appropriation are provided solely for the film office to bring film and video production to Washington state.

(15) \$22,000 of the general fund—state appropriation for fiscal year 2002 and \$23,000 of the general fund—state appropriation for fiscal year 2003 are provided solely as a matching grant to support the Washington state senior games. State funding shall be matched with at least an equal amount of private or local governmental funds.

(16) \$500,000 of the general fund—state appropriation for fiscal year 2002 and \$500,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for grants to food banks and food distribution centers to increase their ability to accept, store, and deliver perishable food.

(17) \$230,000 of the general fund—state appropriation for fiscal year 2002, \$230,000 of the general fund—state appropriation for fiscal year 2003, and the entire community economic development account appropriation are provided solely for support of the developmental disabilities endowment governing board and startup costs of the endowment program. Startup costs are a loan from the state general fund and will be repaid from funds within the program as determined by the governing board. The governing board may use state appropriations to implement a sliding-scale fee waiver for families earning below 150 percent of the state median family income. The director of the department, or the director of the subsequent department of community development, may implement fees to support the program as provided under RCW 43.330.152.

(18) \$880,000 of the public safety and education account appropriation is provided solely for community-based legal advocates to assist sexual assault victims with both civil and criminal justice issues. If Senate Bill No. 5309 is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(19) \$65,000 of the general fund—state appropriation for fiscal year 2002 and \$65,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for a contract with a food distribution program for communities in the southwestern portion of the state and for workers impacted by timber and salmon fishing closures and reductions. The department may not charge administrative overhead or expenses to the funds provided in this subsection.

(20) \$120,000 of the general fund—state appropriation for fiscal year 2002 and \$120,000 of the general fund—state appropriation for fiscal year 2003 are provided solely as one-time pass-through funding to currently licensed overnight youth shelters.

(21) Repayments of outstanding loans granted under RCW 43.63A.600, the mortgage and rental assistance program, shall be remitted to the department, including any current revolving account balances. The department shall contract with a lender or contract collection agent to act as a collection agent of the state. The lender or contract collection agent shall collect payments on outstanding loans, and deposit them into an interest-bearing account. The funds collected shall be remitted to the department quarterly. Interest earned in the account may be retained by the lender or contract collection agent, and shall be considered a fee for processing payments on behalf of the state. Repayments of loans granted under

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this chapter shall be made to the lender or contract collection agent as long as the loan is outstanding, notwithstanding the repeal of the chapter.

(22) \$75,000 of the general fund—state appropriation for fiscal year 2002 and \$75,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the community connections program in Walla Walla.

(23) \$100,000 of the general fund—state appropriation for fiscal year 2002 and \$100,000 of the general fund—state appropriation for fiscal year 2003 are provided to the office of community development solely for the purposes of providing assistance to industrial workers who have been displaced by energy cost-related industrial plant closures in rural counties. For purposes of this subsection, "rural county" is as defined in RCW 82.14.370(5). The office of community development shall distribute the amount in this subsection to community agencies that assist the displaced industrial workers in meeting basic needs including, but not limited to, emergency medical and dental services, family and mental health counseling, food, energy costs, mortgage, and rental costs. The department shall not retain more than two percent of the amount provided in this subsection for administrative costs.

(24) \$91,500 of the general fund—state appropriation for fiscal year 2002 and \$91,500 of the general fund—state appropriation for fiscal year 2003 are provided solely for services related to the foreign representative contract for Japan.

(25) \$81,000 of the general fund—state appropriation for fiscal year 2002 and \$81,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for business finance and loan programs.

(26) \$150,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the quick sites initiative program.

(27) \$120,000 of the general fund—state appropriation for fiscal year 2002 and \$120,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for operating a business information hotline.

(28) \$29,000 of the general fund—state appropriation for fiscal year 2002 and \$29,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for travel expenses associated with the office of trade and economic development's provision of outreach and technical assistance services to businesses and local economic development associations.

(29) \$100,000 of the general fund—state appropriation for fiscal year 2002 and \$100,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for information technology enhancements designed to improve the delivery of agency services to customers.

NEW SECTION. Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL

General Fund—State Appropriation (FY 2002)	\$	512,000
General Fund—State Appropriation (FY 2003)	\$	514,000
TOTAL APPROPRIATION	\$	1,026,000

NEW SECTION. Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund—State Appropriation (FY 2002)	\$	12,456,000
General Fund—State Appropriation (FY 2003)	\$	12,024,000
General Fund—Federal Appropriation	\$	23,657,000
Violence Reduction and Drug Enforcement		
Account—State Appropriation	\$	229,000
State Auditing Services Revolving		
Account—State Appropriation	\$	25,000
TOTAL APPROPRIATION	\$	48,391,000

The appropriations in this section are subject to the following conditions and limitations: The office of financial management shall review policies and procedures regarding purchasing of information technology upgrades by state agencies. Information technology upgrades include replacement workstations, network equipment, operating systems and application software. The review shall document existing policies and procedures, and shall compare alternative upgrade policies that reduce the overall cost to state government for maintaining adequate information technology to meet the existing business needs of state agencies. Findings and recommendations from this review shall be reported to appropriate committees of the legislature by December 1, 2001.

NEW SECTION. Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

Administrative Hearings Revolving Account—State Appropriation	\$	21,938,000
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NEW SECTION. Sec. 131. FOR THE DEPARTMENT OF PERSONNEL

Department of Personnel Service Account—State Appropriation	\$	17,297,000
Higher Education Personnel Services Account—State Appropriation	\$	1,636,000
TOTAL APPROPRIATION	\$	18,933,000

The appropriations in this section are subject to the following conditions and limitations: The department of personnel may charge agencies through the data processing revolving account up to \$561,000 in fiscal year 2002 to study the development of a new personnel and payroll system. Funding to cover these expenses shall be realized from agency FICA savings associated with the pretax benefits contributions plans. Funding is subject to section 902 of this act.

NEW SECTION. Sec. 132. FOR THE WASHINGTON STATE LOTTERY

Lottery Administrative Account—State Appropriation	\$	22,130,000
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NEW SECTION. Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS

General Fund—State Appropriation (FY 2002)	\$	226,000
General Fund—State Appropriation (FY 2003)	\$	234,000
TOTAL APPROPRIATION	\$	460,000

NEW SECTION. Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2002)	\$	211,000
General Fund—State Appropriation (FY 2003)	\$	209,000
TOTAL APPROPRIATION	\$	420,000

NEW SECTION. Sec. 135. FOR THE PERSONNEL APPEALS BOARD

Department of Personnel Service Account—State Appropriation	\$	1,679,000
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NEW SECTION. Sec. 136. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS

Dependent Care Administrative Account—State Appropriation	\$	378,000
Department of Retirement Systems Expense Account— State Appropriation	\$	49,562,000
TOTAL APPROPRIATION	\$	49,940,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,000,000 of the department of retirement systems expense account appropriation is provided solely for support of the information systems project known as the electronic document image management system.

(2) \$120,000 of the department of retirement systems expense account appropriation is provided solely for locating inactive members entitled to retirement benefits.

(3) \$117,000 of the department of retirement systems expense account appropriation is provided solely for modifications to the retirement information systems to accommodate tracking of postretirement employment on an hourly basis.

(4) \$440,000 of the department of retirement systems expense account is provided solely for the implementation of Engrossed Senate Bill No. 5143 (Washington state patrol retirement systems plan 2).

(5) \$6,420,000 of the department of retirement systems expense account is provided solely for the implementation of public employees' retirement system plan 3 (chapter 247, Laws of 2000).

(6) \$101,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Senate Bill No. 5144 (LEOFF survivor benefit). If the bill is not enacted by July 31, 2001, the amount provided in this subsection shall lapse.

(7) \$744,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Second Engrossed Substitute Senate Bill No. 6166 (LEOFF restructuring). If the bill is not enacted by July 31, 2001, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 137. FOR THE STATE INVESTMENT BOARD

State Investment Board Expense Account—State

Appropriation \$ 12,876,000

NEW SECTION. Sec. 138. FOR THE DEPARTMENT OF REVENUE

General Fund—State Appropriation (FY 2002) \$ 72,820,000

General Fund—State Appropriation (FY 2003) \$ 72,387,000

Timber Tax Distribution Account—State

Appropriation \$ 5,131,000

Waste Education/Recycling/Litter Control—State

Appropriation \$ 101,000

State Toxics Control Account—State

Appropriation \$ 67,000

Oil Spill Administration Account—State

Appropriation \$ 14,000

TOTAL APPROPRIATION \$ 150,520,000

The appropriations in this section are subject to the following conditions and limitations:

\$269,000 of the general fund—state appropriation for fiscal year 2002 and \$49,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to establish and provide staff support to a committee on taxation to study the elasticity, equity, and adequacy of the state's tax system.

(1) The committee shall consist of eleven members. The department shall appoint six academic scholars from the fields of economics, taxation, business administration, public administration, public policy, and other relevant disciplines as determined by the department, after consulting with the majority and minority leaders in the senate, the co-speakers in the house of representatives, the chair of the ways and means committee in the senate, and the co-chairs of the finance committee in the house of representatives. The governor and the chairs of the majority and minority caucuses in each house of the legislature shall each appoint one member to the committee. These appointments may be legislative members. The members of the committee shall either elect a voting chair from among their membership or a nonvoting chair who is not a member of the committee. Members of the committee shall serve without compensation but shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

(2) The purpose of the study is to determine how well the current tax system functions and how it might be changed to better serve the citizens of the state in the twenty-first century. In reviewing options for changes to the tax system, the committee shall develop multiple alternatives to the existing tax system. To the extent possible, the alternatives shall be designed to increase the harmony between

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the tax system of this state and the surrounding states, encourage commerce and business creation, and encourage home ownership. In developing alternatives, the committee shall examine and consider the effects of tax incentives, including exemptions, deferrals, and credits. The alternatives shall range from incremental improvements in the current tax structure to complete replacement of the tax structure. In conducting the study, the committee shall examine the tax structures of other states and review previous studies regarding tax reform in this state. In developing alternatives, the committee shall be guided by administrative simplicity, economic neutrality, fairness, stability, and transparency. Most of the alternatives presented by the committee to the legislature shall be revenue neutral and contain no income tax.

(3) The department shall create an advisory group to include, but not be limited to, representatives of business, state agencies, local governments, labor, taxpayers, and other advocacy groups. The group shall provide advice and assistance to the committee.

(4) The committee shall present a final report of its findings and alternatives to the ways and means committee in the senate and the finance committee in the house of representatives by November 30, 2002.

NEW SECTION. Sec. 139. FOR THE BOARD OF TAX APPEALS

General Fund—State Appropriation (FY 2002)	\$	1,193,000
General Fund—State Appropriation (FY 2003)	\$	1,038,000
TOTAL APPROPRIATION	\$	2,231,000

NEW SECTION. Sec. 140. FOR THE MUNICIPAL RESEARCH COUNCIL

City and Town Research Services Account—		
State Appropriation	\$	3,814,000
County Research Services Account—State		
Appropriation	\$	761,000
TOTAL APPROPRIATION	\$	4,575,000

NEW SECTION. Sec. 141. FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

OMWBE Enterprises Account—State		
Appropriation	\$	2,616,000

NEW SECTION. Sec. 142. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

General Fund—State Appropriation (FY 2002)	\$	549,000
General Fund—State Appropriation (FY 2003)	\$	630,000
General Fund—Federal Appropriation	\$	1,930,000
General Fund—Private/Local Appropriation	\$	444,000
State Capitol Vehicle Parking Account—		
State Appropriation	\$	154,000
General Administration Services Account—State		
Appropriation	\$	41,419,000

TOTAL APPROPRIATION \$ 45,126,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall conduct a review of the ultimate purchasing system to evaluate the following: (a) The degree to which program objectives and assumptions were achieved; (b) the degree to which planned schedule of phases, tasks, and activities were accomplished; (c) an assessment of estimated and actual costs of each phase; (d) an assessment of project cost recovery/cost avoidance, return on investment, and measurable outcomes as each relate to the agency's business functions and other agencies' business functions; and (e) the degree to which integration with the agency and state information technology infrastructure was achieved. The department will receive written input from participating pilot agencies that describes measurable organizational benefits and cost avoidance opportunities derived from use of the ultimate purchasing system. The performance review shall be submitted to the office of financial management and the appropriate legislative fiscal committees by July 1, 2002.

(2) \$60,000 of the general administration services account appropriation is provided solely for costs associated with the development of the information technology architecture to link the risk management information system and the tort division's case management system, and the reconciliation of defense cost reimbursement information.

NEW SECTION. Sec. 143. FOR THE DEPARTMENT OF INFORMATION SERVICES

Data Processing Revolving Account—State

Appropriation \$ 3,706,000

The appropriation in this section is subject to the following conditions and limitations:

(1) Fifteen independent private, nonprofit colleges, located in Washington state, have requested connection to the K-20 educational telecommunications network. These K-20 connections shall be provided to the private schools on a full cost reimbursement basis, net of the value of services and information provided by the private institutions, based on criteria approved by the K-20 board.

(2) Some private K-12 schools have requested limited "pilot connections" to the K-20 network to test the technical and economic feasibility of one or more connection models. These K-20 connections shall be provided to the private K-12 schools on a full cost reimbursement basis, net of the value of services and information provided by the private K-12 schools based on criteria approved by the K-20 board.

(3) In the 2001-03 biennium, the department shall incorporate statewide elements for a common technology infrastructure into the state strategic information technology plan that state agencies shall then use in establishing individual agency business applications.

(4) The department shall implement the \$10,800,000 service rate reduction it proposed on August 14, 2000.

NEW SECTION. Sec. 144. FOR THE INSURANCE COMMISSIONER

General Fund—Federal Appropriation	\$	622,000
Insurance Commissioners Regulatory Account—State		
Appropriation	\$	29,053,000
TOTAL APPROPRIATION	\$	29,675,000

The appropriations in this section are subject to the following conditions and limitations: \$693,000 of the insurance commissioner's regulatory account appropriation is provided solely for moving and renovation costs associated with the colocation of the agency's Olympia-area facilities. Expenditures from this amount shall be subject to the approval of the department of general administration.

NEW SECTION. Sec. 145. FOR THE BOARD OF ACCOUNTANCY

Certified Public Accountants' Account—State		
Appropriation	\$	1,716,000

The appropriation in this section is subject to the following conditions and limitations: \$355,000 of the certified public accountants' account appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5593 (public accountancy act). If the bill is not enacted by June 30, 2001, this amount shall lapse. During fiscal years 2002 and 2003, the board is authorized to increase fees in excess of the fiscal growth factor pursuant to RCW 43.135.055.

NEW SECTION. Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL

Death Investigations Account—State		
Appropriation	\$	276,000

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the death investigation account appropriation is provided solely for providing financial assistance to local jurisdictions in multiple death investigations. The forensic investigation council shall develop criteria for awarding these funds for multiple death investigations involving an unanticipated, extraordinary, and catastrophic event or those involving multiple jurisdictions.

NEW SECTION. Sec. 147. FOR THE HORSE RACING COMMISSION

Horse Racing Commission Account—State		
Appropriation	\$	4,504,000

NEW SECTION. Sec. 148. FOR THE LIQUOR CONTROL BOARD

General Fund—State Appropriation (FY 2002)	\$	1,483,000
General Fund—State Appropriation (FY 2003)	\$	1,484,000
Liquor Control Board Construction and Maintenance		
Account—State Appropriation	\$	8,114,000

Liquor Revolving Account—State

Appropriation	\$	142,148,000
TOTAL APPROPRIATION	\$	153,229,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,573,000 of the liquor revolving account appropriation is provided solely for the agency information technology upgrade. This amount provided in this subsection is conditioned upon satisfying the requirements of section 902 of this act.

(2) \$4,803,000 of the liquor revolving account appropriation is provided solely for the costs associated with the development and implementation of a merchandising business system. Expenditures of any funds for this system are conditioned upon the approval of the merchandising business system's feasibility study by the information services board. The amount provided in this subsection is also conditioned upon satisfying the requirements of section 902 of this act.

NEW SECTION. Sec. 149. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Public Service Revolving Account—State

Appropriation	\$	27,108,000
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Pipeline Safety Account—State

Appropriation	\$	3,305,000
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Pipeline Safety Account—Federal

Appropriation	\$	822,000
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TOTAL APPROPRIATION	\$	31,235,000
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The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,011,000 of the pipeline safety account—state appropriation and \$822,000 of the pipeline safety account—federal appropriation are provided solely for the implementation of Substitute Senate Bill No. 5182 (pipeline safety). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(2) \$294,000 of the pipeline safety account—state appropriation is provided solely for an interagency agreement with the joint legislative audit and review committee for a report on hazardous liquid and gas pipeline safety programs. The committee shall review staff use, inspection activity, fee methodology, and costs of the hazardous liquid and gas pipeline safety programs and report to the appropriate legislative committees by July 1, 2003. The report shall include a comparison of interstate and intrastate programs, including but not limited to the number and complexity of regular and specialized inspections, mapping requirements for each program, and allocation of administrative costs to each program. If Substitute Senate Bill No. 5182 (pipeline safety) is not enacted by June 30, 2001, the amount provided in this section shall lapse.

NEW SECTION. Sec. 150. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS

Volunteer Firefighters' Relief and Pension

Administrative Account—State

Appropriation	\$	569,000
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NEW SECTION. Sec. 151. FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation (FY 2002)	\$	9,165,000
General Fund—State Appropriation (FY 2003)	\$	8,979,000
General Fund—Federal Appropriation	\$	22,509,000
General Fund—Private/Local Appropriation	\$	234,000
Enhanced 911 Account—State Appropriation	\$	16,544,000
Disaster Response Account—State Appropriation	\$	582,000
Disaster Response Account—Federal Appropriation	\$	3,392,000
Worker and Community Right to Know Fund—State		
Appropriation	\$	283,000
Nisqually Earthquake Account—State		
Appropriation	\$	37,884,000
Nisqually Earthquake Account—Federal		
Appropriation	\$	157,795,000
TOTAL APPROPRIATION	\$	257,367,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$582,000 of the disaster response account—state appropriation is provided solely for the state share of response and recovery costs associated with federal emergency management agency (FEMA) disasters approved in the 1999-01 biennium budget. The military department may, upon approval of the director of financial management, use portions of the disaster response account—state appropriation to offset costs of new disasters occurring before June 30, 2003. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing disaster costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (d) estimates of future payments by biennium. This information shall be displayed by individual disaster, by fund, and by type of assistance. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2001-03 biennium based on current revenue and expenditure patterns.

(2) \$100,000 of the general fund—state fiscal year 2002 appropriation and \$100,000 of the general fund—state fiscal year 2003 appropriation are provided

solely for implementation of the conditional scholarship program pursuant to chapter 28B.103 RCW.

(3) \$60,000 of the general fund—state appropriation for fiscal year 2002 and \$60,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of Senate Bill No. 5256 (emergency management compact). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(4) \$35,000 of the general fund—state fiscal year 2002 appropriation and \$35,000 of the general fund—state fiscal year 2003 appropriation are provided solely for the north county emergency medical service.

(5) \$1,374,000 of the Nisqually earthquake account—state appropriation and \$3,861,000 of the Nisqually earthquake account—federal appropriation are provided solely for the military department's costs associated with coordinating the state's response to the February 28, 2001, earthquake.

(6) \$1,347,000 of the Nisqually earthquake account—state appropriation and \$5,359,000 of the Nisqually earthquake account—federal appropriation are provided solely for mitigation costs associated with the earthquake for state and local agencies. Of the amount from the Nisqually earthquake account—state appropriation, \$898,000 is provided for the state matching share for state agencies and \$449,000 is provided for one-half of the local matching share for local entities. The amount provided for the local matching share constitutes a revenue distribution for purposes of RCW 43.135.060(1).

(7) \$35,163,000 of the Nisqually earthquake account—state appropriation and \$148,575,000 of the Nisqually earthquake account—federal appropriation are provided solely for public assistance costs associated with the earthquake for state and local agencies. Of the amount from the Nisqually earthquake account—state appropriation, \$20,801,000 is provided for the state matching share for state agencies and \$14,362,000 is provided for one-half of the local matching share for local entities. The amount provided for the local matching share constitutes a revenue distribution for purposes of RCW 43.135.060(1). Upon approval of the director of financial management, the military department may use portions of the Nisqually earthquake account—state appropriations to cover other response and recovery costs associated with the Nisqually earthquake that are not eligible for federal emergency management agency reimbursement. The military department is to submit a quarterly report detailing the costs authorized under this subsection to the office of financial management and the legislative fiscal committees.

NEW SECTION. Sec. 152. FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

General Fund—State Appropriation (FY 2002)	\$	2,154,000
General Fund—State Appropriation (FY 2003)	\$	2,164,000
TOTAL APPROPRIATION	\$	4,318,000

NEW SECTION. Sec. 153. FOR THE GROWTH PLANNING HEARINGS BOARD

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General Fund—State Appropriation (FY 2002)	\$	1,497,000
General Fund—State Appropriation (FY 2003)	\$	1,506,000
TOTAL APPROPRIATION	\$	3,003,000

NEW SECTION. Sec. 154. FOR THE STATE CONVENTION AND TRADE CENTER

State Convention and Trade Center Operating		
Account—State Appropriation	\$	37,848,000
State Convention and Trade Center Account—State		
Appropriation	\$	29,886,000
TOTAL APPROPRIATION	\$	67,734,000

**PART II
HUMAN SERVICES**

NEW SECTION. Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES. (1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose, except as expressly provided in subsection (3) of this section.

(2) The department of social and health services shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) In the event the department receives additional unrestricted federal funds or achieves savings in excess of that anticipated in this act, the department shall use up to \$5,000,000 of such funds to initiate a pilot project providing integrated support services to homeless individuals needing mental health services, alcohol or substance abuse treatment, medical care, or who demonstrate community safety concerns. Before such a pilot project is initiated, the department shall notify the

fiscal committees of the legislature of the plans for such a pilot project including the source of funds to be used.

NEW SECTION. Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY SERVICES PROGRAM

General Fund—State Appropriation (FY 2002)	\$	225,789,000
General Fund—State Appropriation (FY 2003)	\$	239,013,000
General Fund—Federal Appropriation	\$	372,408,000
General Fund—Private/Local Appropriation	\$	400,000
Public Safety and Education Account—		
State Appropriation	\$	987,000
Violence Reduction and Drug Enforcement Account—		
State Appropriation	\$	5,702,000
TOTAL APPROPRIATION	\$	844,299,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,237,000 of the fiscal year 2002 general fund—state appropriation, \$2,288,000 of the fiscal year 2003 general fund—state appropriation, and \$1,590,000 of the general fund—federal appropriation are provided solely for the category of services titled "intensive family preservation services."

(2) \$685,000 of the general fund—state fiscal year 2002 appropriation and \$701,000 of the general fund—state fiscal year 2003 appropriation are provided to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

(3) \$524,000 of the general fund—state fiscal year 2002 appropriation and \$536,000 of the general fund—state fiscal year 2003 appropriation are provided for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) \$1,260,000 of the fiscal year 2002 general fund—state appropriation, \$1,248,000 of the fiscal year 2003 general fund—state appropriation, and \$4,196,000 of the violence reduction and drug enforcement account appropriation

are provided solely for the family policy council and community public health and safety networks. The funding level for the family policy council and community public health and safety networks represents a 25 percent reduction below the funding level for the 1999-2001 biennium. Funding levels shall be reduced 25 percent for both the family policy council and network grants. Reductions to network grants shall be allocated so as to maintain current funding levels, to the greatest extent possible, for projects with the strongest evidence of positive outcomes and for networks with substantial compliance with contracts for network grants.

(5) \$2,215,000 of the fiscal year 2002 general fund—state appropriation, \$4,394,000 of the fiscal year 2003 general fund—state appropriation, and \$5,604,000 of the general fund—federal appropriation are provided solely for reducing the average caseload level per case-carrying social worker. Average caseload reductions are intended to increase the amount of time social workers spend in direct contact with the children, families, and foster parents involved with their open cases. The department shall use some of the funds provided in several local offices to increase staff that support case-carrying social workers in ways that will allow social workers to increase direct contact time with children, families, and foster parents. To achieve the goal of reaching an average caseload ratio of 1:24 by the end of fiscal year 2003, the department shall develop a plan for redeploying 30 FTEs to case-carrying social worker and support positions from other areas in the children and family services budget. The FTE redeployment plan shall be submitted to the fiscal committees of the legislature by December 1, 2001.

(6) \$1,000,000 of the fiscal year 2002 general fund—state appropriation and \$1,000,000 of the fiscal year 2003 general fund—state appropriation are provided solely for increasing foster parent respite care services that improve the retention of foster parents and increase the stability of foster placements. The department shall report quarterly to the appropriate committees of the legislature progress against appropriate baseline measures for foster parent retention and stability of foster placements.

(7) \$1,050,000 of the general fund—federal appropriation is provided solely for increasing kinship care placements for children who otherwise would likely be placed in foster care. These funds shall be used for extraordinary costs incurred by relatives at the time of placement, or for extraordinary costs incurred by relatives after placement if such costs would likely cause a disruption in the kinship care placement. \$50,000 of the funds provided shall be contracted to the Washington institute for public policy to conduct a study of kinship care placements. The study shall examine the prevalence and needs of families who are raising related children and shall compare services and policies of Washington state with other states that have a higher rate of kinship care placements in lieu of foster care placements. The study shall identify possible changes in services and policies that are likely to increase appropriate kinship care placements.

(8) \$3,386,000 of the fiscal year 2002 general fund—state appropriation, \$7,671,000 of the fiscal year 2003 general fund—state appropriation, and \$20,819,000 of the general fund—federal appropriation are provided solely for increases in the cost per case for foster care and adoption support. \$16,000,000 of the general fund—federal amount shall remain unallotted until the office of financial management approves a plan submitted by the department to achieve a higher rate of federal earnings in the foster care program. That plan shall also be submitted to the fiscal committees of the legislature and shall indicate projected federal revenue compared to actual fiscal year 2001 levels. Within the amounts provided for foster care, the department shall increase the basic rate for foster care to an average of \$420 per month on July 1, 2001, and to an average of \$440 per month on July 1, 2002. The department shall use the remaining funds provided in this subsection to pay for increases in the cost per case for foster care and adoption support. The department shall seek to control rate increases and reimbursement decisions for foster care and adoption support cases such that the cost per case for family foster care, group care, receiving homes, and adoption support does not exceed the amount assumed in the projected caseload expenditures plus the amounts provided in this subsection.

(9) \$1,767,000 of the general fund—state appropriation for fiscal year 2002, \$2,461,000 of the general fund—state appropriation for fiscal year 2003, and \$1,485,000 of the general fund—federal appropriation are provided solely for rate and capacity increases for child placing agencies. Child placing agencies shall increase their capacity by 15 percent in fiscal year 2002 and 30 percent in fiscal year 2003.

(10) The department shall provide secure crisis residential facilities across the state in a manner that: (a) Retains geographic provision of these services; and (b) retains beds in high use areas.

(11) \$125,000 of the general fund—state appropriation for fiscal year 2002 and \$125,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for a foster parent retention program. This program is directed at foster parents caring for children who act out sexually, as described in House Bill No. 1525 (foster parent retention program).

***NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE REHABILITATION PROGRAM**

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2002)	\$	36,625,000
General Fund—State Appropriation (FY 2003)	\$	38,125,000
General Fund—Federal Appropriation	\$	14,609,000
General Fund—Private/Local Appropriation	\$	380,000
Juvenile Accountability Incentive		
Account—Federal Appropriation	\$	9,361,000
Public Safety and Education		
Account—State Appropriation	\$	6,196,000
Violence Reduction and Drug Enforcement Account—		

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State Appropriation	\$	21,972,000
TOTAL APPROPRIATION	\$	127,268,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$686,000 of the violence reduction and drug enforcement account appropriation is provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(b) \$5,980,000 of the violence reduction and drug enforcement account appropriation is provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(c) \$1,161,000 of the general fund—state appropriation for fiscal year 2002, \$1,162,000 of the general fund—state appropriation for fiscal year 2003, and \$5,190,000 of the violence reduction and drug enforcement account appropriation are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(d) \$2,515,000 of the violence reduction and drug enforcement account appropriation is provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(e) \$100,000 of the general fund—state appropriation for fiscal year 2002 and \$100,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for juvenile rehabilitation administration to contract with the institute for public policy for responsibilities assigned in chapter 338, Laws of 1997 (juvenile code revisions).

(f) \$100,000 of the general fund—state appropriation for fiscal year 2002 and \$100,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for a contract for expanded services of the teamchild project.

(g) \$423,000 of the general fund—state appropriation for fiscal year 2002, \$924,000 of the general fund—state appropriation for fiscal year 2003, \$174,000 of the general fund—federal appropriation, \$196,000 of the public safety and education assistance account appropriation, and \$690,000 of the violence

reduction and drug enforcement account appropriation are provided solely to increase payment rates for contracted service providers.

(h) \$16,000 of the general fund—state appropriation for fiscal year 2002 and \$16,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of chapter 167, Laws of 1999 (firearms on school property). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 167, Laws of 1999, and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(i) \$3,441,000 of the general fund—state appropriation for fiscal year 2002 and \$3,441,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The department shall not retain any portion of these funds to cover administrative or any other departmental costs. The department, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(j) \$6,000,000 of the public safety and education account—state appropriation is provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. To the extent that distributions made under (i) and (j) of this subsection and pursuant to section 801 of this act exceed actual costs of processing truancy, children in need of services, and at-risk youth petitions, the department, in consultation with the respective juvenile court administrator and the county, may approve expenditure of funds provided in this subsection on other costs of the civil or criminal justice system. When this occurs, the department shall notify the office of financial management and the legislative fiscal committees. The department shall not retain any portion of these funds to cover administrative or any other departmental costs. The department, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(k) The distributions made under (i) and (j) of this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

(l) Each quarter during the 2001-03 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing the petitions in each of the following categories: Truancy, children in need of services, and at-risk youth. Counties shall submit the reports to the department no later than 45 days after the end of the quarter. The department shall forward

this information to the chair and ranking minority member of the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a quarter ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(m) \$1,692,000 of the juvenile accountability incentive account—federal appropriation is provided solely for the continued implementation of a pilot program to provide for postrelease planning and treatment of juvenile offenders with co-occurring disorders.

(n) \$22,000 of the violence reduction and drug enforcement account appropriation is provided solely for the evaluation of the juvenile offender co-occurring disorder pilot program implemented pursuant to (m) of this subsection.

(o) \$900,000 of the general fund—state appropriation for fiscal year 2002 and \$900,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the continued implementation of the juvenile violence prevention grant program established in section 204, chapter 309, Laws of 1999.

(p) \$33,000 of the general fund—state appropriation for fiscal year 2002 and \$29,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of House Bill No. 1070 (juvenile offender basic training). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(q) \$21,000 of the general fund—state appropriation for fiscal year 2002 and \$42,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of Senate Bill No. 5468 (chemical dependency). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(r) The juvenile rehabilitation administration, in consultation with the juvenile court administrators, may agree on a formula to allow the transfer of funds among amounts appropriated for consolidated juvenile services, community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition alternative.

(s) \$1,377,000 of the general fund—state appropriation for fiscal year 2002 and \$1,669,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for contracted beds at local county detention facilities. The juvenile rehabilitation administration shall contract for these beds and shall not consider these beds to achieve reductions in bed capacity.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2002)	\$	46,773,000
General Fund—State Appropriation (FY 2003)	\$	48,735,000
General Fund—Federal Appropriation	\$	14,000
General Fund—Private/Local Appropriation	\$	740,000
Violence Reduction and Drug Enforcement Account—		
State Appropriation	\$	15,280,000
TOTAL APPROPRIATION	\$	111,542,000

The appropriations in this subsection are subject to the following conditions and limitations: \$40,000 of the general fund—state appropriation for fiscal year 2002 and \$84,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to increase payment rates for contracted service providers.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2002)	\$	1,738,000
General Fund—State Appropriation (FY 2003)	\$	1,765,000
General Fund—Federal Appropriation	\$	307,000
Juvenile Accountability Incentive Account—Federal Appropriation	\$	1,100,000
Violence Reduction and Drug Enforcement Account— State Appropriation	\$	421,000
TOTAL APPROPRIATION	\$	5,331,000

*Sec. 203 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH PROGRAM

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund—State Appropriation (FY 2002)	\$	191,089,000
General Fund—State Appropriation (FY 2003)	\$	194,884,000
General Fund—Federal Appropriation	\$	339,077,000
General Fund—Local Appropriation	\$	4,363,000
Health Services Account—State Appropriation	\$	2,450,000
TOTAL APPROPRIATION	\$	731,863,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) Regional support networks shall use portions of the general fund—state appropriation for implementation of working agreements with the vocational rehabilitation program which will maximize the use of federal funding for vocational programs.

(b) From the general fund—state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and adult services program for the general fund—state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(c) \$388,000 of the general fund—state appropriation for fiscal year 2002, \$1,927,000 of the general fund—state appropriation for fiscal year 2003, and \$2,349,000 of the general fund—federal appropriation are provided solely for development and operation of community residential and support services for persons whose treatment needs constitute substantial barriers to community placement and who no longer require active psychiatric treatment at an inpatient hospital level of care, no longer meet the criteria for inpatient involuntary commitment, and who are clinically ready for discharge from a state psychiatric

hospital. In the event that enough patients are not transitioned or diverted from the state hospitals to close at least two hospital wards by July 2002, and two additional wards by April 2003, a proportional share of these funds shall be transferred to the appropriations in subsection (2) of this section to support continued care of the patients in the state hospitals. Primary responsibility and accountability for provision of appropriate community support for persons placed with these funds shall reside with the mental health program and the regional support networks, with partnership and active support from the alcohol and substance abuse and from the aging and adult services programs. The department shall negotiate performance-based incentive contracts with those regional support networks which have the most viable plans for providing appropriate community support services for significant numbers of persons from their area who would otherwise be served in the state hospitals. The funds appropriated in this subsection shall not be considered "available resources" as defined in RCW 71.24.025 and are not subject to the standard allocation formula applied in accordance with RCW 71.24.035(13)(a).

(d) At least \$1,000,000 of the federal block grant funding appropriated in this subsection shall be used for (i) initial development, training, and operation of the community support teams which will work with long-term state hospital residents prior and subsequent to their return to the community; and (ii) development of support strategies which will reduce the unnecessary and excessive use of state and local hospitals for short-term crisis stabilization services. Such strategies may include training and technical assistance to community long-term care and substance abuse providers; the development of diversion beds and stabilization support teams; examination of state hospital policies regarding admissions; and the development of new contractual standards to assure that the statutory requirement that 85 percent of short-term detentions be managed locally is being fulfilled. The department shall report to the fiscal and policy committees of the legislature on the results of these efforts by November 1, 2001, and again by November 1, 2002.

(e) The department is authorized to implement a new formula for allocating available resources among the regional support networks. The distribution formula shall use the number of persons eligible for the state medical programs funded under chapter 74.09 RCW as the measure of the requirement for the number of acutely mentally ill, chronically mentally ill, severely emotionally disturbed children, and seriously disturbed in accordance with RCW 71.24.035(13)(a). The new formula shall be phased in over a period of no less than six years. Furthermore, the department shall increase the medicaid capitation rates which a regional support network would otherwise receive under the formula by an amount sufficient to assure that total funding allocated to the regional support network in fiscal year 2002 increases by up to 2.1 percent over the amount actually paid to that regional support network in fiscal year 2001, and by up to an additional 2.3 percent in fiscal year 2003, if total funding to the regional support network would otherwise increase by less than those percentages under the new

formula, and provided that the nonfederal share of the higher medicaid payment rate is provided by the regional support network from local funds.

(f) Within funds appropriated in this subsection, the department shall contract with the Clark county regional support network for development and operation of a project demonstrating collaborative methods for providing intensive mental health services in the school setting for severely emotionally disturbed children who are medicaid eligible. Project services are to be delivered by teachers and teaching assistants who qualify as, or who are under the supervision of, mental health professionals meeting the requirements of chapter 275-57 WAC. The department shall increase medicaid payments to the regional support network by the amount necessary to cover the necessary and allowable costs of the demonstration, not to exceed the upper payment limit specified for the regional support network in the department's medicaid waiver agreement with the federal government after meeting all other medicaid spending requirements assumed in this subsection. The regional support network shall provide the department with (i) periodic reports on project service levels, methods, and outcomes; and (ii) an intergovernmental transfer equal to the state share of the increased medicaid payment provided for operation of this project.

(g) The health services account appropriation is provided solely for implementation of strategies which the department and the affected regional support networks conclude will best assure continued availability of community-based inpatient psychiatric services in all areas of the state. Such strategies may include, but are not limited to, emergency contracts for continued operation of inpatient facilities otherwise at risk of closure because of demonstrated uncompensated care; start-up grants for development of evaluation and treatment facilities; and increases in the rate paid for inpatient psychiatric services for medically indigent and/or general assistance for the unemployed patients. The funds provided in this subsection must be: (i) Prioritized for use in those areas of the state which are at greatest risk of lacking sufficient inpatient psychiatric treatment capacity, rather than being distributed on a formula basis; (ii) prioritized for use by those hospitals which do not receive low-income disproportionate share hospital payments as of the date of application for funding; and (iii) matched on a one-quarter local, three-quarters state basis by funding from the regional support network or networks in the area in which the funds are expended. Payments from the amount provided in this subsection shall not be made to any provider that has not agreed that, except for prospective rate increases, the payment shall offset, on a dollar-for-dollar basis, any liability that may be established against, or any settlement that may be agreed to by the state, regarding the rate of state reimbursement for inpatient psychiatric care. The funds provided in this subsection shall not be considered "available resources" as defined in RCW 71.24.025 and are not subject to the distribution formula established pursuant to RCW 71.24.035.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2002) \$ 85,836,000

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General Fund—State Appropriation (FY 2003)	\$ 83,001,000
General Fund—Federal Appropriation	\$ 139,098,000
General Fund—Private/Local Appropriation	\$ 29,289,000
TOTAL APPROPRIATION	\$ 337,224,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state mental hospitals may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) The mental health program at Western state hospital shall continue to use labor provided by the Tacoma prerelease program of the department of corrections.

(c) The department shall seek to reduce the census of the two state psychiatric hospitals by 120 beds by April 2003 by arranging and providing community residential, mental health, and other support services for long-term state hospital patients whose treatment needs constitute substantial barriers to community placement and who no longer require active psychiatric treatment at an inpatient hospital level of care, no longer meet the criteria for inpatient involuntary commitment, and who are clinically ready for discharge from a state psychiatric hospital. No such patient is to move from the hospital until a team of community professionals has become familiar with the person and their treatment plan; assessed their strengths, preferences, and needs; arranged a safe, clinically-appropriate, and stable place for them to live; assured that other needed medical, behavioral, and social services are in place; and is contracted to monitor the person's progress on an ongoing basis. The department and the regional support networks shall endeavor to assure that hospital patients are able to return to their area of origin, and that placements are not concentrated in proximity to the hospitals.

(d) For each month subsequent to the month in which a state hospital bed has been closed in accordance with (c) of this subsection, the mental health program shall transfer to the medical assistance program state funds equal to the state share of the monthly per capita expenditure amount estimated for categorically needy-disabled persons in the most recent forecast of medical assistance expenditures.

(e) The department shall report to the appropriate committees of the legislature by November 1, 2001, and by November 1, 2002, on its plans for and progress toward achieving the objectives set forth in (c) of this subsection.

(3) CIVIL COMMITMENT

General Fund—State Appropriation (FY 2002)	\$ 20,037,000
General Fund—State Appropriation (FY 2003)	\$ 22,441,000
TOTAL APPROPRIATION	\$ 42,478,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$2,062,000 of the general fund—state appropriation for fiscal year 2002 and \$3,698,000 of the general fund—state appropriation for fiscal year 2003 are

provided solely for operational costs associated with a less restrictive step-down placement facility on McNeil Island.

(b) \$1,000,000 of the general fund—state appropriation for fiscal year 2002 and \$1,000,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for mitigation funding for jurisdictions affected by the placement of less restrictive alternative facilities for persons conditionally released from the special commitment center facility being constructed on McNeil Island.

(c) By October 1, 2001, the department shall report to the office of financial management and the fiscal committees of the house of representatives and senate detailing information on plans for increasing the efficiency of staffing patterns at the new civil commitment center facility being constructed on McNeil Island.

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2002)	\$	444,000
General Fund—State Appropriation (FY 2003)	\$	443,000
General Fund—Federal Appropriation	\$	2,082,000
TOTAL APPROPRIATION	\$	2,969,000

(5) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2002)	\$	3,104,000
General Fund—State Appropriation (FY 2003)	\$	3,231,000
General Fund—Federal Appropriation	\$	5,796,000
TOTAL APPROPRIATION	\$	12,131,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$113,000 of the general fund—state appropriation for fiscal year 2002, \$125,000 of the general fund—state appropriation for fiscal year 2003, and \$164,000 of the general fund—federal appropriation are provided solely for the institute for public policy to evaluate the impacts of chapter 214, Laws of 1999 (mentally ill offenders), chapter 217, Laws of 2000 (atypical anti-psychotic medications), chapter 297, Laws of 1998 (commitment of mentally ill persons), and chapter 334, Laws of 2001 (mental health performance audit).

(b) \$168,000 of the general fund—state appropriation for fiscal year 2002, \$243,000 of the general fund—state appropriation for fiscal year 2003, and \$411,000 of the general fund—federal appropriation are provided solely for the development and implementation of a uniform outcome-oriented performance measurement system to be used in evaluating and managing the community mental health service delivery system consistent with the recommendations contained in the joint legislative audit and review committee's audit of the public mental health system. Once implemented, the use of performance measures will allow comparison of measurement results to established standards and benchmarks among regional support networks, service providers, and against other states. The department shall provide a report to the appropriate committees of the legislature on the development and implementation of the use of performance measures by October 2002.

(c) \$125,000 of the general fund—state appropriation for fiscal year 2002, \$125,000 of the general fund—state appropriation for fiscal year 2003, and \$250,000 of the general fund—federal appropriation are provided solely for a study of the prevalence of mental illness among the state's regional support networks. The study shall examine how reasonable estimates of the prevalence of mental illness relate to the incidence of persons enrolled in medical assistance programs in each regional support network area. In conducting this study, the department shall consult with the joint legislative audit and review committee, regional support networks, community mental health providers, and mental health consumer representatives. The department shall submit a final report on its findings to the fiscal, health care, and human services committees of the legislature by November 1, 2003.

NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2002)	\$	231,693,000
General Fund—State Appropriation (FY 2003)	\$	242,347,000
General Fund—Federal Appropriation	\$	396,151,000
Health Services Account—State		
Appropriation	\$	741,000
TOTAL APPROPRIATION	\$	870,932,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The health services account appropriation and \$753,000 of the general fund—federal appropriation are provided solely for health care benefits for home care workers with family incomes below 200 percent of the federal poverty level who are employed through state contracts for twenty hours per week or more. Premium payments for individual provider home care workers shall be made only to the subsidized basic health plan. Home care agencies may obtain coverage either through the basic health plan or through an alternative plan with substantially equivalent benefits.

(b) \$902,000 of the general fund—state appropriation for fiscal year 2002, \$3,372,000 of the general fund—state appropriation for fiscal year 2003, and \$4,056,000 of the general fund—federal appropriation are provided solely for community services for residents of residential habilitation centers (RHCs) who are able to be adequately cared for in community settings and who choose to live in those community settings. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$280. If the number and timing of residents choosing to move into community settings is not sufficient to achieve the RHC cottage consolidation plan assumed in the appropriations in subsection (2) of this section, the department shall transfer sufficient appropriations from this subsection to subsection (2) of this section to

cover the added costs incurred in the RHCs. The department shall report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of residents moving into community settings and the actual expenditures for all community services to support those residents.

(c) \$1,440,000 of the general fund—state appropriation for fiscal year 2002, \$3,041,000 of the general fund—state appropriation for fiscal year 2003, and \$4,311,000 of the general fund—federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues or are diverted or discharged from state psychiatric hospitals. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$275. The department shall report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(d) \$1,005,000 of the general fund—state appropriation for fiscal year 2002, \$2,262,000 of the general fund—state appropriation for fiscal year 2003, and \$2,588,000 of the general fund—federal appropriation are provided solely for increasing case/resource management resources to improve oversight and quality of care for persons enrolled in the medicaid home and community services waiver for persons with developmental disabilities. The department shall not increase total enrollment in home and community based waivers for persons with developmental disabilities except for increases assumed in additional funding provided in subsections (b) and (c) of this section. Prior to submitting to the health care financing authority any additional home and community based waiver request for persons with developmental disabilities, the department shall submit a summary of the waiver request to the appropriate committees of the legislature. The summary shall include eligibility criteria, program description, enrollment projections and limits, and budget and cost effectiveness projections that distinguish the requested waiver from other existing or proposed waivers.

(e) \$1,000,000 of the general fund—state appropriation for fiscal year 2002 and \$1,000,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for employment, or other day activities and training programs, for young adults with developmental disabilities who complete their high school curriculum in 2001 or 2002. These services are intended to assist with the transition to work and more independent living. Funding shall be used to the greatest extent possible for vocational rehabilitation services matched with federal funding. In recent years, the state general fund appropriation for employment and day programs has been underspent. These surpluses, built into the carry forward level budget, shall be redeployed for high school transition services.

(f) \$369,000 of the fiscal year 2002 general fund—state appropriation and \$369,000 of the fiscal year 2003 general fund—state appropriation are provided solely for continuation of the autism pilot project started in 1999.

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(g) \$4,049,000 of the general fund—state appropriation for fiscal year 2002, \$1,734,000 of the general fund—state appropriation for fiscal year 2003, and \$5,369,000 of the general fund—federal appropriation are provided solely to increase compensation by an average of fifty cents per hour for low-wage workers providing state-funded services to persons with developmental disabilities. These funds, along with funding provided for vendor rate increases, are sufficient to raise wages an average of fifty cents and cover the employer share of unemployment and social security taxes on the amount of the wage increase. In consultation with the statewide associations representing such agencies, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2002)	\$	71,977,000
General Fund—State Appropriation (FY 2003)	\$	69,303,000
General Fund—Federal Appropriation	\$	145,641,000
General Fund—Private/Local Appropriation	\$	10,230,000
TOTAL APPROPRIATION	\$	297,151,000

The appropriations in this subsection are subject to the following conditions and limitations: Pursuant to RCW 71A.12.160, if residential habilitation center capacity is not being used for permanent residents, the department may make residential habilitation center vacancies available for respite care and any other services needed to care for clients who are not currently being served in a residential habilitation center and whose needs require staffing levels similar to current residential habilitation center residents. Providing respite care shall not impede the department's ability to consolidate cottages as assumed in the appropriations in this subsection.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2002)	\$	2,601,000
General Fund—State Appropriation (FY 2003)	\$	2,623,000
General Fund—Federal Appropriation	\$	2,413,000
TOTAL APPROPRIATION	\$	7,637,000

The appropriations in this subsection are subject to the following conditions and limitations: \$50,000 of the fiscal year 2002 general fund—state appropriation and \$50,000 of the fiscal year 2003 general fund—state appropriation are provided solely for increasing the contract amount for the southeast Washington deaf and hard of hearing services center due to increased workload.

(4) SPECIAL PROJECTS

General Fund—Federal Appropriation	\$	11,995,000
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NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT SERVICES PROGRAM

General Fund—State Appropriation (FY 2002)	\$	518,911,000
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General Fund—State Appropriation (FY 2003)	\$	537,907,000
General Fund—Federal Appropriation	\$	1,078,417,000
General Fund—Private/Local Appropriation	\$	4,324,000
Health Services Account—State		
Appropriation	\$	4,523,000
TOTAL APPROPRIATION	\$	2,144,082,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire health services account appropriation, \$1,210,000 of the general fund—state appropriation for fiscal year 2002, \$1,423,000 of the general fund—state appropriation for fiscal year 2003, and \$6,794,000 of the general fund—federal appropriation are provided solely for health care benefits for home care workers who are employed through state contracts for at least twenty hours per week. Premium payments for individual provider home care workers shall be made only to the subsidized basic health plan, and only for persons with incomes below 200 percent of the federal poverty level. Home care agencies may obtain coverage either through the basic health plan or through an alternative plan with substantially equivalent benefits.

(2) \$1,706,000 of the general fund—state appropriation for fiscal year 2002 and \$1,706,000 of the general fund—state appropriation for fiscal year 2003, plus the associated vendor rate increase for each year, are provided solely for operation of the volunteer chore services program.

(3) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall be no more than \$128.79 for fiscal year 2002, and no more than \$134.45 for fiscal year 2003. For all facilities, the therapy care, support services, and operations component rates established in accordance with chapter 74.46 RCW shall be adjusted for economic trends and conditions by 2.1 percent effective July 1, 2001, and by an additional 2.3 percent effective July 1, 2002. For case-mix facilities, direct care component rates established in accordance with chapter 74.46 RCW shall also be adjusted for economic trends and conditions by 2.1 percent effective July 1, 2001, and by an additional 2.3 percent effective July 1, 2002. Additionally, to facilitate the transition to a fully case-mix based direct care payment system, the median price per case-mix unit for each of the applicable direct care peer groups shall be increased on a one-time basis by 2.64 percent effective July 1, 2002.

(4) In accordance with Substitute House Bill No. 2242 (nursing home rates), the department shall issue certificates of capital authorization which result in up to \$10 million of increased asset value completed and ready for occupancy in fiscal year 2003; in up to \$27 million of increased asset value completed and ready for occupancy in fiscal year 2004; and in up to \$27 million of increased asset value completed and ready for occupancy in fiscal year 2005.

(5) Adult day health services shall not be considered a duplication of services for persons receiving care in long-term care settings licensed under chapter 18.20, 72.36, or 70.128 RCW.

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(6) Within funds appropriated in this section and in section 204 of this act, the aging and adult services program shall coordinate with and actively support the efforts of the mental health program and of the regional support networks to provide stable community living arrangements for persons with dementia and traumatic brain injuries who have been long-term residents of the state psychiatric hospitals. The aging and adult services program shall report to the health care and fiscal committees of the legislature by November 1, 2001, and by November 1, 2002, on the actions it has taken to achieve this objective.

(7) Within funds appropriated in this section and in section 204 of this act, the aging and adult services program shall devise and implement strategies in partnership with the mental health program and the regional support networks to reduce the use of state and local psychiatric hospitals for the short-term stabilization of persons with dementia and traumatic brain injuries. Such strategies may include training and technical assistance to help long-term care providers avoid and manage behaviors which might otherwise result in psychiatric hospitalizations; monitoring long-term care facilities to assure residents are receiving appropriate mental health care and are not being inappropriately medicated or hospitalized; the development of diversion beds and stabilization support teams; and the establishment of systems to track the use of psychiatric hospitals by long-term care providers. The aging and adult services program shall report to the health care and fiscal committees of the legislature by November 1, 2001, and by November 1, 2002, on the actions it has taken to achieve this objective.

(8) In accordance with Substitute House Bill No. 1341, the department may implement two medicaid waiver programs for persons who do not qualify for such services as categorically needy, subject to federal approval and the following conditions and limitations:

(a) One waiver program shall include coverage of home-based services, and the second shall include coverage of care in community residential facilities. Enrollment in the waiver covering home-based services shall not exceed 150 persons by the end of fiscal year 2002, nor 200 persons by the end of fiscal year 2003. Enrollment in the waiver covering community residential services shall not exceed 500 persons by the end of fiscal year 2002, nor 900 persons by the end of fiscal year 2003.

(b) For each month of waiver service delivered to a person who was not covered by medicaid prior to their enrollment in the waiver, the aging and adult services program shall transfer to the medical assistance program state and federal funds equal to the monthly per capita expenditure amount, net of drug rebates, estimated for medically needy-aged persons in the most recent forecast of medical assistance expenditures.

(c) The department shall identify the number of medically needy nursing home residents, and enrollment and expenditures on each of the two medically needy waivers, on monthly management reports.

(d) The department shall track and report to health care and fiscal committees of the legislature by November 15, 2002, on the types of long-term care support a sample of waiver participants were receiving prior to their enrollment in the waiver, how those services were being paid for, and an assessment of their adequacy.

(9) \$50,000 of the general fund—state appropriation for fiscal year 2002 and \$50,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for payments to any nursing facility licensed under chapter 18.51 RCW which meets all of the following criteria: (a) The nursing home entered into an arm's length agreement for a facility lease prior to January 1, 1980; (b) the lessee purchased the leased nursing home after January 1, 1980; and (c) the lessor defaulted on its loan or mortgage for the assets of the home after January 1, 1991, and prior to January 1, 1992. Payments provided pursuant to this subsection shall not be subject to the settlement, audit, or rate-setting requirements contained in chapter 74.46 RCW.

(10) \$364,000 of the general fund—state appropriation for fiscal year 2002, \$364,000 of the general fund—state appropriation for fiscal year 2003, and \$740,000 of the general fund—federal appropriation are provided solely for payment of exceptional care rates so that persons with Alzheimer's disease and related dementias who might otherwise require nursing home or state hospital care can instead be served in boarding home-licensed facilities which specialize in the care of such conditions.

(11) From funds appropriated in this section, the department shall increase compensation for individual and for agency home care providers. Payments to individual home care providers are to be increased from \$7.18 per hour to \$7.68 per hour on July 1, 2001. Payments to agency providers are to be increased to \$13.30 per hour on July 1, 2001, and to \$13.44 per hour on July 1, 2002. All but 18 cents per hour of the July 1, 2001, increase to agency providers is to be used to increase wages for direct care workers. The appropriations in this section also include the funds needed for the employer share of unemployment and social security taxes on the amount of the wage increase required by this subsection.

(12) \$2,507,000 of the general fund—state appropriation for fiscal year 2002, \$2,595,000 of the general fund—state appropriation for fiscal year 2003, and \$5,100,000 of the general fund—federal appropriation are provided solely for prospective rate increases intended to increase compensation by an average of fifty cents per hour for low-wage workers in agencies which contract with the state to provide community residential services for persons with functional disabilities. In consultation with the statewide associations representing such agencies, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002. The amounts in this subsection also include the funds needed for the employer share of unemployment and social security taxes on the amount of the wage increase.

(13) \$1,082,000 of the general fund—state appropriation for fiscal year 2002, \$1,082,000 of the general fund—state appropriation for fiscal year 2003, and \$2,204,000 of the general fund—federal appropriation are provided solely for prospective rate increases intended to increase compensation for low-wage workers in nursing homes which contract with the state. For fiscal year 2002, the department shall add forty-five cents per patient day to the direct care rate which would otherwise be paid to each nursing facility in accordance with chapter 74.46 RCW. For fiscal year 2003, the department shall increase the median price per case-mix unit for each of the applicable peer groups by six-tenths of one percent in order to distribute the available funds. In consultation with the statewide associations representing nursing facilities, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002.

NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES PROGRAM

General Fund—State Appropriation (FY 2002)	\$	436,440,000
General Fund—State Appropriation (FY 2003)	\$	424,870,000
General Fund—Federal Appropriation	\$	1,356,351,000
General Fund—Private/Local Appropriation	\$	31,788,000
TOTAL APPROPRIATION	\$	2,249,449,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$282,081,000 of the general fund—state appropriation for fiscal year 2002, \$278,277,000 of the general fund—state appropriation for fiscal year 2003, \$1,254,197,000 of the general fund—federal appropriation, and \$29,352,000 of the general fund—local appropriation are provided solely for the WorkFirst program and child support operations. WorkFirst expenditures include TANF grants, diversion services, subsidized child care, employment and training, other WorkFirst related services, allocated field services operating costs, and allocated economic services program administrative costs. Within the amounts provided in this subsection, the department shall:

(a) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Valid outcome measures of job retention and wage progression shall be developed and reported quarterly to appropriate fiscal and policy committees of the legislature for families who leave assistance, measured after 12 months, 24 months, and 36 months. An increased attention to job retention and wage progression is necessary to emphasize the legislature's goal that the WorkFirst program succeed in helping recipients gain long-term economic independence and not cycle on and off public assistance. The wage progression measure shall report the median percentage increase in quarterly earnings and hourly wage after 12 months, 24 months, and 36 months. The wage progression report shall also report

the percent with earnings above one hundred percent and two hundred percent of the federal poverty level. The report shall compare former WorkFirst participants with similar workers who did not participate in WorkFirst. The department shall also report the percentage of families who have returned to temporary assistance for needy families after 12 months, 24 months, and 36 months.

(b) Develop informational materials that educate families about the difference between cash assistance and work support benefits. These materials must explain, among other facts, that the benefits are designed to support their employment, that there are no time limits on the receipt of work support benefits, and that immigration or residency status will not be affected by the receipt of benefits. These materials shall be posted in all community service offices and distributed to families. Materials must be available in multiple languages. When a family leaves the temporary assistance for needy families program, receives cash diversion assistance, or withdraws a temporary assistance for needy families application, the department of social and health services shall educate them about the difference between cash assistance and work support benefits and offer them the opportunity to begin or to continue receiving work support benefits, so long as they are eligible. The department shall provide this information through in-person interviews, over the telephone, and/or through the mail. Work support benefits include food stamps, medicaid for all family members, medicaid or state children's health insurance program for children, and child care assistance. The department shall report annually to the legislature the number of families who have had exit interviews, been reached successfully by phone, and been sent mail. The report shall also include the percentage of families who elect to continue each of the benefits and the percentage found ineligible by each substantive reason code. A substantive reason code shall not be "other." The report shall identify barriers to informing families about work support benefits and describe existing and future actions to overcome such barriers.

(c) From the amounts provided in this subsection, provide \$50,000 from the general fund—state appropriation for fiscal year 2002 and \$50,000 from the general fund—state appropriation for fiscal year 2003 to the Washington institute for public policy for continuation of the WorkFirst evaluation database.

(d) Submit a report by December 1, 2001, to the fiscal committees of the legislature containing a spending plan for the WorkFirst program. The plan shall identify how spending levels in the 2001-2003 biennium will be adjusted by June 30, 2003, to be sustainable within available federal grant levels and the carryforward level of state funds.

(2) \$48,341,000 of the general fund—state appropriation for fiscal year 2002 and \$48,341,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for cash assistance and other services to recipients in the general assistance—unemployable program. Within these amounts, the department may expend funds for services that assist recipients to reduce their dependence on public assistance, provided that expenditures for these services and cash assistance do not exceed the funds provided.

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(3) \$5,632,000 of the general fund—state appropriation for fiscal year 2002 and \$5,632,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the food assistance program for legal immigrants. The level of benefits shall be equivalent to the benefits provided by the federal food stamp program.

(4) \$48,000 of the general fund—state appropriation for fiscal year 2002 is provided solely to implement chapter 111, Laws of 2001 (veterans/Philippines).

(5) The department shall apply the provisions of RCW 74.04.005(10) to simplify resource eligibility policy, make such policy consistent with other federal public assistance programs, and achieve the budgetary savings assumed in this section.

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND SUBSTANCE ABUSE PROGRAM

General Fund—State Appropriation (FY 2002)	\$	38,047,000
General Fund—State Appropriation (FY 2003)	\$	38,938,000
General Fund—Federal Appropriation	\$	91,695,000
General Fund—Private/Local Appropriation	\$	723,000
Public Safety and Education Account—State Appropriation	\$	13,733,000
Violence Reduction and Drug Enforcement Account— State Appropriation	\$	52,510,000
TOTAL APPROPRIATION	\$	235,646,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,610,000 of the general fund—state appropriation for fiscal year 2002 and \$1,622,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for expansion of 35 drug and alcohol treatment beds for persons committed under RCW 70.96A.140. Patients meeting the commitment criteria of RCW 70.96A.140 but who voluntarily agree to treatment in lieu of commitment shall also be eligible for treatment in these additional treatment beds. The department shall develop specific placement criteria for these expanded treatment beds to ensure that this new treatment capacity is prioritized for persons incapacitated as a result of chemical dependency and who are also high utilizers of hospital services. These additional treatment beds shall be located in the eastern part of the state.

(2) \$2,800,000 of the public safety and education account—state appropriation is provided solely for expansion of treatment for persons gravely disabled by abuse and addiction to alcohol and other drugs including methamphetamine.

(3) \$1,083,000 of the public safety and education account—state appropriation is provided solely for adult and juvenile drug courts that have a net loss of federal grant funding in state fiscal year 2002 and state fiscal year 2003. This appropriation is intended to cover approximately one-half of lost federal funding.

It is the intent of the legislature to provide state assistance to counties to cover a part of lost federal funding for drug courts for a maximum of three years.

(4) \$1,993,000 of the public safety and education account—state appropriation and \$951,000 of the general fund—federal appropriation are provided solely for drug and alcohol treatment for SSI clients. The department shall continue research and post-program evaluation of these clients to further determine the post-treatment utilization of medical services and the service effectiveness of consolidation.

NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MEDICAL ASSISTANCE PROGRAM

General Fund—State Appropriation (FY 2002)	\$	1,028,885,000
General Fund—State Appropriation (FY 2003)	\$	1,130,904,000
General Fund—Federal Appropriation	\$	3,637,511,000
General Fund—Private/Local Appropriation	\$	276,147,000
Emergency Medical Services and Trauma Care Systems		
Trust Account—State Appropriation	\$	9,200,000
Health Services Account—State Appropriation	\$	1,043,310,000
TOTAL APPROPRIATION	\$	7,125,957,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall increase its efforts to restrain the growth of health care costs. The appropriations in this section anticipate that the department implements a combination of cost containment and utilization strategies sufficient to reduce general fund—state costs by approximately 3 percent below the level projected for the 2001-03 biennium in the March 2001 forecast. The department shall report to the fiscal committees of the legislature by October 1, 2001, on its specific plans and semiannual targets for accomplishing these savings. The department shall report again to the fiscal committees by March 1, 2002, and by September 1, 2002, on actual performance relative to the semiannual targets. If satisfactory progress is not being made to achieve the targeted savings, the reports shall include recommendations for additional or alternative measures to control costs.

(2) The department shall continue to extend medicaid eligibility to children through age 18 residing in households with incomes below 200 percent of the federal poverty level.

(3) In determining financial eligibility for medicaid-funded services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(4) \$502,000 of the health services account appropriation, \$400,000 of the general fund—private/local appropriation, and \$1,676,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1058 (breast and cervical cancer treatment). If the bill is not enacted by June 30, 2001, or if private funding is not contributed equivalent to the

general fund—private/local appropriation, the funds appropriated in this subsection shall lapse.

(5) \$620,000 of the health services account appropriation for fiscal year 2002, \$1,380,000 of the health services account appropriation for fiscal year 2003, and \$2,000,000 of the general fund—federal appropriation are provided solely for implementation of a "ticket to work" medicaid buy-in program for working persons with disabilities, operated in accordance with the following conditions:

(a) To be eligible, a working person with a disability must have total income which is less than 450 percent of poverty;

(b) Participants shall participate in the cost of the program by paying (i) a monthly enrollment fee equal to fifty percent of any unearned income in excess of the medicaid medically needy standard; and (ii) a monthly premium equal to 5 percent of all unearned income, plus 5 percent of all earned income after disregarding the first sixty-five dollars of monthly earnings, and half the remainder;

(c) The department shall establish more restrictive eligibility standards than specified in this subsection to the extent necessary to operate the program within appropriated funds;

(d) The department may require point-of-service copayments as appropriate, except that copayments shall not be so high as to discourage appropriate service utilization, particularly of prescription drugs needed for the treatment of psychiatric conditions; and

(e) The department shall establish systems for tracking and reporting enrollment and expenditures in this program, and the prior medical assistance eligibility status of new program enrollees. The department shall additionally survey the prior and current employment status and approximate hours worked of program enrollees, and report the results to the fiscal and health care committees of the legislature by January 15, 2003.

(6) From funds appropriated in this section, the department shall design, implement, and evaluate pilot projects to assist individuals with at least three different diseases to improve their health, while reducing total medical expenditures. The projects shall involve (a) identifying persons who are seriously or chronically ill due to a combination of medical, social, and functional problems; and (b) working with the individuals and their care providers to improve adherence to state-of-the-art treatment regimens. The department shall report to the health care and the fiscal committees of the legislature by January 1, 2002, on the particular disease states, intervention protocols, and delivery mechanisms it proposes to test.

(7) Sufficient funds are appropriated in this section for the department to continue full-scope dental coverage, vision coverage, and podiatry services for medicaid-eligible adults.

(8) The legislature reaffirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(9) \$80,000 of the general fund—state appropriation for fiscal year 2002, \$80,000 of the general fund—state appropriation for fiscal year 2003, and \$160,000 of the general fund—federal appropriation are provided solely for the newborn referral program to provide access and outreach to reduce infant mortality.

(10) \$30,000 of the general fund—state appropriation for fiscal year 2002, \$31,000 of the general fund—state appropriation for fiscal year 2003, and \$62,000 of the general fund—federal appropriation are provided solely for implementation of Substitute Senate Bill No. 6020 (dental sealants). If Substitute Senate Bill No. 6020 is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(11) In accordance with RCW 74.46.625, \$376,318,000 of the health services account appropriation for fiscal year 2002, \$144,896,000 of the health services account appropriation for fiscal year 2003, and \$542,089,000 of the general fund—federal appropriation are provided solely for supplemental payments to nursing homes operated by rural public hospital districts. The payments shall be conditioned upon (a) a contractual commitment by the association of public hospital districts and participating rural public hospital districts to make an intergovernmental transfer to the state treasurer, for deposit into the health services account, equal to at least 98 percent of the supplemental payments; and (b) a contractual commitment by the participating districts to not allow expenditures covered by the supplemental payments to be used for medicaid nursing home rate-setting. The participating districts shall retain no more than a total of \$20,000,000 for the 2001-03 biennium.

(12) \$38,690,000 of the health services account appropriation for fiscal year 2002, \$40,189,000 of the health services account appropriation for fiscal year 2003, and \$80,241,000 of the general fund—federal appropriation are provided solely for additional disproportionate share and medicare upper payment limit payments to public hospital districts.

(a) The payments shall be conditioned upon a contractual commitment by the participating public hospital districts to make an intergovernmental transfer to the health services account equal to at least 91 percent of the additional payments. At least 28 percent of the amounts retained by the participating hospital districts shall be allocated to the state's teaching hospitals.

(b) An additional 4.5 percent of the additional payments may be retained by the participating public hospital districts contingent upon the receipt of \$446,500,000 in newly identified proshare reimbursement from the federal government over the 2001-03 biennium. If the actual amount received is less than \$446,500,000, the amount retained pursuant to this subsection (12)(b) shall be prorated accordingly. The state teaching hospitals shall receive a distribution of the amount retained by the participating hospital districts in this subsection (12)(b) as allocated in (a) of this subsection.

(13) \$412,000 of the general fund—state appropriation for fiscal year 2002, \$862,000 of the general fund—state appropriation for fiscal year 2003, and

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\$730,000 of the general fund—federal appropriation are provided solely for implementation of Substitute House Bill No. 1162 (small rural hospitals). If Substitute House Bill No. 1162 is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(14) The department may continue to use any federal money available to continue to provide medicaid matching funds for funds contributed by local governments for purposes of conducting eligibility outreach to children and underserved groups. The department shall ensure cooperation with the anticipated audit of the school districts' matchable expenditures for this program and advise the appropriate legislative fiscal committees of the findings.

NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL REHABILITATION PROGRAM

General Fund—State Appropriation (FY 2002)	\$	11,309,000
General Fund—State Appropriation (FY 2003)	\$	9,780,000
General Fund—Federal Appropriation	\$	83,738,000
General Fund—Private/Local Appropriation	\$	360,000
TOTAL APPROPRIATION	\$	105,187,000

The appropriations in this section are subject to the following conditions and limitations: The division of vocational rehabilitation shall negotiate cooperative interagency agreements with state and local organizations to improve and expand employment opportunities for people with severe disabilities.

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM

General Fund—State Appropriation (FY 2002)	\$	30,444,000
General Fund—State Appropriation (FY 2003)	\$	29,369,000
General Fund—Federal Appropriation	\$	50,562,000
General Fund—Private/Local Appropriation	\$	810,000
TOTAL APPROPRIATION	\$	111,185,000

The appropriations in this section are subject to the following conditions and limitations:

(1) By November 1, 2001, the secretary shall report to the fiscal committees of the legislature on the actions the secretary has taken, or proposes to take, within current funding levels to resolve the organizational problems identified in the department's February 2001 report to the legislature on current systems for billing third-party payers for services delivered by the state psychiatric hospitals. The secretary is authorized to transfer funds from this section to the mental health program to the extent necessary to achieve the organizational improvements recommended in that report.

(2) By November 1, 2001, the department shall report to the fiscal committees of the legislature with the least costly plan for assuring that billing and accounting technologies in the state psychiatric hospitals adequately and efficiently comply

with standards set by third-party payers. The plan shall be developed with participation by and oversight from the office of financial management, the department's information systems services division, and the department of information services.

(3) The department shall reconstitute the payment integrity program to place greater emphasis upon the prevention of future billing errors, ensure billing and administrative errors are treated in a manner distinct from allegations of fraud and abuse, and shall rename the program. In keeping with this revised focus, the department shall also increase to one thousand dollars the cumulative total of apparent billing errors allowed before a provider is contacted for repayment.

(4) By September 1, 2001, the department shall report to the fiscal committees of the legislature results from the payment review program. The report shall include actual costs recovered and estimated costs avoided for fiscal year 2001 and the costs incurred by the department to administer the program. The report shall document criteria and methodology used for determining avoided costs. In addition, the department shall seek input from health care providers and consumer organizations on modifications to the program. The department shall provide annual updates to the report to the fiscal committees of the legislature by September 1st of each year for the preceding fiscal year.

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER AGENCIES PROGRAM

General Fund—State Appropriation (FY 2002)	\$	43,053,000
General Fund—State Appropriation (FY 2003)	\$	43,053,000
General Fund—Federal Appropriation	\$	26,665,000
TOTAL APPROPRIATION	\$	112,771,000

NEW SECTION. Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY

General Fund—State Appropriation (FY 2002)	\$	6,655,000
General Fund—State Appropriation (FY 2003)	\$	6,654,000
State Health Care Authority Administrative		
Account—State Appropriation	\$	20,091,000
Health Services Account—State Appropriation	\$	499,148,000
General Fund—Federal Appropriation	\$	3,611,000
TOTAL APPROPRIATION	\$	536,159,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$6,551,000 of the general fund—state appropriation for fiscal year 2002 and \$6,550,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for health care services provided through local community clinics.

(2) Within funds appropriated in this section and sections 205 and 206 of this 2001 act, the health care authority shall continue to provide an enhanced basic health plan subsidy option for foster parents licensed under chapter 74.15 RCW

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and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at a cost of ten dollars per covered worker per month.

(3) The health care authority shall require organizations and individuals which are paid to deliver basic health plan services and which choose to sponsor enrollment in the subsidized basic health plan to pay the following: (i) A minimum of fifteen dollars per enrollee per month for persons below 100 percent of the federal poverty level; and (ii) a minimum of twenty dollars per enrollee per month for persons whose family income is 100 percent to 125 percent of the federal poverty level.

(4) The health care authority shall solicit information from the United States office of personnel management, health plans, and other relevant sources, regarding the cost of implementation of mental health parity by the federal employees health benefits program in 2001. A progress report shall be provided to the senate and house of representatives fiscal committees by July 1, 2002, and a final report shall be provided to the legislature by November 15, 2002, on the study findings.

NEW SECTION. Sec. 214. FOR THE HUMAN RIGHTS COMMISSION

General Fund—State Appropriation (FY 2002)	\$	2,688,000
General Fund—State Appropriation (FY 2003)	\$	2,700,000
General Fund—Federal Appropriation	\$	1,544,000
General Fund—Private/Local Appropriation	\$	100,000
TOTAL APPROPRIATION	\$	7,032,000

NEW SECTION. Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right-to-Know Account—State		
Appropriation	\$	20,000
Accident Account—State Appropriation	\$	14,692,000
Medical Aid Account—State Appropriation	\$	14,694,000
TOTAL APPROPRIATION	\$	29,406,000

NEW SECTION. Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Municipal Criminal Justice Assistance Account—		
Local Appropriation	\$	460,000
Death Investigations Account—State		
Appropriation	\$	148,000
Public Safety and Education Account—State		
Appropriation	\$	18,439,000
TOTAL APPROPRIATION	\$	19,047,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$124,000 of the public safety and education account appropriation is provided solely to allow the Washington association of sheriffs and police chiefs to increase the technical and training support provided to the local criminal justice agencies on the new incident-based reporting system and the national incident-based reporting system.

(2) \$136,000 of the public safety and education account appropriation is provided solely to allow the Washington association of prosecuting attorneys to enhance the training provided to criminal justice personnel.

(3) \$22,000 of the public safety and education account appropriation is provided solely to increase payment rates for the criminal justice training commission's contracted food service provider.

(4) \$31,000 of the public safety and education account appropriation is provided solely to increase payment rates for the criminal justice training commission's contract with the Washington association of sheriffs and police chiefs.

(5) \$65,000 of the public safety and education account appropriation is provided solely for regionalized training programs for school district and local law enforcement officials on school safety issues.

(6) \$233,000 of the public safety and education account appropriation is provided solely for training and equipping local law enforcement officers to respond to methamphetamine crime.

(7) \$374,000 of the public safety and education account appropriation is provided solely for the implementation of House Bill No. 1062 (certification of peace officers). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(8) \$450,000 of the public safety and education account appropriation is provided solely for grants to be distributed by the Washington association of sheriffs and police chiefs for electronic mapping of school facilities.

***NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund—State Appropriation (FY 2002)	\$	7,738,000
General Fund—State Appropriation (FY 2003)	\$	7,682,000
General Fund—Federal Appropriation	\$	1,250,000
Public Safety and Education Account—State		
Appropriation	\$	19,862,000
Public Safety and Education Account—Federal		
Appropriation	\$	6,950,000
Public Safety and Education Account—Private/Local		
Appropriation	\$	4,200,000
Asbestos Account—State Appropriation	\$	688,000
Electrical License Account—State		
Appropriation	\$	28,412,000
Farm Labor Revolving Account—Private/Local		
Appropriation	\$	28,000

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Worker and Community Right-to-Know Account—State	
Appropriation	\$ 2,281,000
Public Works Administration Account—State	
Appropriation	\$ 2,856,000
Accident Account—State Appropriation	\$ 179,186,000
Accident Account—Federal Appropriation	\$ 11,568,000
Medical Aid Account—State Appropriation	\$ 176,715,000
Medical Aid Account—Federal Appropriation	\$ 2,438,000
Plumbing Certificate Account—State	
Appropriation	\$ 1,015,000
Pressure Systems Safety Account—State	
Appropriation	\$ 2,274,000
TOTAL APPROPRIATION	\$ 455,143,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Pursuant to RCW 7.68.015, the department shall operate the crime victims compensation program within the public safety and education account funds appropriated in this section. In the event that cost containment measures are necessary, the department may (a) institute copayments for services; (b) develop preferred provider contracts; or (c) other cost containment measures. Cost containment measures shall not include holding invoices received in one fiscal period for payment from appropriations in subsequent fiscal periods. No more than \$5,248,000 of the public safety and education account appropriation shall be expended for department administration of the crime victims compensation program.

(2) \$1,438,000 of the accident account—state appropriation and \$1,438,000 of the medical aid account—state appropriation are provided for the one-time cost of implementing a recent state supreme court ruling regarding the calculation of workers' compensation benefits. This decision significantly increases the complexity of calculating benefits and therefore increases the administrative and legal costs of the workers' compensation program. The department shall develop and report to appropriate committees of the legislature proposed statutory language that provides greater certainty and simplicity in the calculation of benefits. The report shall be submitted by October 1, 2001.

(3) It is the intent of the legislature that elevator inspection fees shall fully cover the cost of the elevator inspection program. Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium the department may increase fees in excess of the fiscal growth factor, if the increases are necessary to fully fund the cost of the elevator inspection program.

(4) The department shall not expend any funds from amounts provided in this section for the occupational safety and health impact grants program unless separate legislation is passed that specifically authorizes such expenditures, appropriates funds, and provides accountability for the program.

*Sec. 217 was partially vetoed. See message at end of chapter.

NEW SECTION, Sec. 218. FOR THE INDETERMINATE SENTENCE REVIEW BOARD

General Fund—State Appropriation (FY 2002)	\$	999,000
General Fund—State Appropriation (FY 2003)	\$	999,000
TOTAL APPROPRIATION	\$	1,998,000

NEW SECTION, Sec. 219. FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund—State Appropriation (FY 2002)	\$	1,529,000
General Fund—State Appropriation (FY 2003)	\$	1,533,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation	\$	7,000
TOTAL APPROPRIATION	\$	3,069,000

(2) FIELD SERVICES

General Fund—State Appropriation (FY 2002)	\$	2,619,000
General Fund—State Appropriation (FY 2003)	\$	2,643,000
General Fund—Federal Appropriation	\$	155,000
General Fund—Private/Local Appropriation	\$	1,663,000
TOTAL APPROPRIATION	\$	7,080,000

(3) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2002)	\$	6,832,000
General Fund—State Appropriation (FY 2003)	\$	4,600,000
General Fund—Federal Appropriation	\$	28,699,000
General Fund—Private/Local Appropriation	\$	25,614,000
TOTAL APPROPRIATION	\$	65,745,000

The appropriations in this subsection are subject to the following terms and conditions: \$3,664,000 of the general fund—federal appropriation and \$7,377,000 of the general fund—local appropriation are provided solely for the department to acquire, establish, and operate a nursing facility dedicated to serving men and women from Washington who have served in the nation's armed forces.

NFW SECTION, Sec. 220. FOR THE DEPARTMENT OF HEALTH

General Fund—State Appropriation (FY 2002)	\$	65,308,000
General Fund—State Appropriation (FY 2003)	\$	66,941,000
Health Services Account—State Appropriation	\$	24,186,000
General Fund—Federal Appropriation	\$	276,840,000
General Fund—Private/Local Appropriation	\$	81,526,000
Hospital Commission Account—State Appropriation	\$	1,718,000
Health Professions Account—State Appropriation	\$	38,456,000
Emergency Medical Services and Trauma Care Systems		

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Trust Account—State Appropriation	\$	14,858,000
Safe Drinking Water Account—State		
Appropriation	\$	2,701,000
Drinking Water Assistance Account—Federal		
Appropriation	\$	13,400,000
Waterworks Operator Certification—State		
Appropriation	\$	622,000
Water Quality Account—State Appropriation	\$	3,328,000
Accident Account—State Appropriation	\$	257,000
Medical Aid Account—State Appropriation	\$	45,000
State Toxics Control Account—State		
Appropriation	\$	2,817,000
Medical Test Site Licensure Account—State		
Appropriation	\$	1,369,000
Youth Tobacco Prevention Account—State		
Appropriation	\$	1,797,000
Tobacco Prevention and Control Account—State		
Appropriation	\$	34,992,000
TOTAL APPROPRIATION	\$	631,161,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department or any successor agency is authorized to raise existing fees charged to the drinking water operator certification, newborn screening, radioactive materials, x-ray compliance, drinking water plan review, midwifery, hearing and speech, veterinarians, psychologists, pharmacists, hospitals, podiatrists, and home health and home care programs, in excess of the fiscal growth factor established by Initiative Measure No. 601, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section.

(2) \$339,000 of the general fund—state appropriation for fiscal year 2002 and \$339,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for technical assistance to local governments and special districts on water conservation and reuse.

(3) \$1,675,000 of the general fund—state fiscal year 2002 appropriation and \$1,676,000 of the general fund—state fiscal year 2003 appropriation are provided solely for the implementation of the Puget Sound water work plan and agency action items, DOH-01, DOH-02, DOH-03, and DOH-04.

(4) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation

authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(5) \$5,779,000 of the health services account—state appropriation for fiscal year 2002 and \$4,665,000 of the health services account—state appropriation for fiscal year 2003 are provided solely for purchase and distribution of the pneumococcal conjugate vaccine as part of the state's program of universal access to essential childhood vaccines.

(6) \$85,000 of the general fund—state appropriation for fiscal year 2002 and \$65,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of Substitute House Bill No. 1365 (infant and child products). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(7) \$58,000 of the general fund—state appropriation for fiscal year 2002 and \$25,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of Second Substitute House Bill No. 1590 (breastfeeding). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(8) From funds appropriated in this section, the state board of health shall convene a broadly-based task force to review the available information on the potential risks and benefits to public and personal health and safety, and to individual privacy, of emerging technologies involving human deoxyribonucleic acid (DNA). The board may reimburse task force members for travel expenses according to RCW 43.03.220. The task force shall consider information provided to it by interested persons on: (a) The incidence of discriminatory actions based upon genetic information; (b) strategies to safeguard civil rights and privacy related to genetic information; (c) remedies to compensate individuals for inappropriate use of their genetic information; and (d) incentives for further research and development on the use of DNA to promote public health, safety, and welfare. The task force shall report on its findings and any recommendations to appropriate committees of the legislature by October 1, 2002.

(9) \$533,000 of the general fund—state appropriation for fiscal year 2002 and \$1,067,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for performance-based contracts with local jurisdictions to assure the safety of drinking water provided by small "group B" water systems.

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF CORRECTIONS

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund—State Appropriation (FY 2002)	\$	36,156,000
General Fund—State Appropriation (FY 2003)	\$	36,365,000
Public Safety and Education Account—State		

Appropriation	\$	1,576,000
Violence Reduction and Drug Enforcement		
Account Appropriation	\$	3,254,000
TOTAL APPROPRIATION	\$	77,351,000

The appropriations in this subsection are subject to the following conditions and limitations: \$4,623,000 of the general fund—state appropriation for fiscal year 2002, \$4,623,000 of the general fund—state appropriation for fiscal year 2003, and \$3,254,000 of the violence reduction and drug enforcement account appropriation are provided solely for the replacement of the department's offender-based tracking system. This amount is conditioned on the department satisfying the requirements of section 902 of this act. The department shall prepare an assessment of the fiscal impact of any changes to the replacement project. The assessment shall:

- (a) Include a description of any changes to the replacement project;
- (b) Provide the estimated costs for each component in the 2001-03 and subsequent biennia;
- (c) Include a schedule that provides the time estimated to complete changes to each component of the replacement project; and
- (d) Be provided to the office of financial management, the department of information services, the information services board, and the staff of the fiscal committees of the senate and the house of representatives no later than November 1, 2002.

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2002)	\$	397,231,000
General Fund—State Appropriation (FY 2003)	\$	407,078,000
General Fund—Federal Appropriation	\$	12,096,000
Violence Reduction and Drug Enforcement Account—		
State Appropriation	\$	1,614,000
Public Health Services Account Appropriation	\$	1,453,000
TOTAL APPROPRIATION	\$	819,472,000

The appropriations in this subsection are subject to the following conditions and limitations:

- (a) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. Any funds generated in excess of actual costs shall be deposited in the state general fund. Expenditures shall not exceed revenue generated by such agreements and shall be treated as recovery of costs.
- (b) The department shall provide funding for the pet partnership program at the Washington corrections center for women at a level at least equal to that provided in the 1995-97 biennium.
- (c) The department of corrections shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(d) \$553,000 of the general fund—state appropriation for fiscal year 2002 and \$1,171,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to increase payment rates for contracted education providers, contracted chemical dependency providers, and contracted work release facilities.

(e) During the 2001-03 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account as of January 1, 2000.

(f) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. This authority applies to the following: Lease-develop with the option to purchase or lease-purchase approximately 50 work release beds in facilities throughout the state for \$3,500,000.

(g) \$22,000 of the general fund—state appropriation for fiscal year 2002 and \$76,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of Second Substitute Senate Bill No. 6151 (high risk sex offenders in the civil commitment and criminal justice systems). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(h) The department may acquire a ferry for no more than \$1,000,000 from Washington state ferries. Funds expended for this purpose will be recovered from the sale of marine assets.

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2002)	\$	61,427,000
General Fund—State Appropriation (FY 2003)	\$	62,934,000
General Fund—Federal Appropriation	\$	1,125,000
Public Safety and Education		
Account—State Appropriation	\$	15,841,000
TOTAL APPROPRIATION	\$	141,327,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department of corrections shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(b) \$75,000 of the general fund—state appropriation for fiscal year 2002 and \$75,000 of the general fund—state appropriation for fiscal year 2003 are provided

solely for the department of corrections to contract with the institute for public policy for responsibilities assigned in chapter 196, Laws of 1999 (offender accountability act) and sections 7 through 12 of chapter 197, Laws of 1999 (drug offender sentencing).

(c) \$16,000 of the general fund—state appropriation for fiscal year 2002 and \$34,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to increase payment rates for contracted chemical dependency providers.

(d) \$30,000 of the general fund—state appropriation for fiscal year 2002 and \$30,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of Substitute Senate Bill No. 5118 (interstate compact for adult offender supervision). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2002)	\$	631,000
General Fund—State Appropriation (FY 2003)	\$	629,000
TOTAL APPROPRIATION	\$	1,260,000

The appropriations in this subsection are subject to the following conditions and limitations: \$110,000 of the general fund—state appropriation for fiscal year 2002 and \$110,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2002)	\$	18,568,000
General Fund—State Appropriation (FY 2003)	\$	18,569,000
TOTAL APPROPRIATION	\$	37,137,000

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund—State Appropriation (FY 2002)	\$	1,693,000
General Fund—State Appropriation (FY 2003)	\$	1,628,000
General Fund—Federal Appropriation	\$	11,140,000
General Fund—Private/Local Appropriation	\$	80,000
TOTAL APPROPRIATION	\$	14,541,000

The appropriations in this section are subject to the following conditions and limitations: \$50,000 of the general fund—state appropriation for fiscal year 2002 and \$50,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to increase state assistance for a comprehensive program of training and support services for persons who are both deaf and blind.

NEW SECTION. Sec. 223. FOR THE SENTENCING GUIDELINES COMMISSION

General Fund—State Appropriation (FY 2002)	\$	936,000
General Fund—State Appropriation (FY 2003)	\$	857,000
TOTAL APPROPRIATION	\$	1,793,000

The appropriations in this section are subject to the following conditions and limitations:

\$78,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the sentencing guidelines commission to conduct a comprehensive review and evaluation of state sentencing policy. The review and evaluation shall include an analysis of whether current sentencing ranges and standards, as well as existing mandatory minimum sentences, existing sentence enhancements, and special sentencing alternatives, are consistent with the purposes of the sentencing reform act as set out in RCW 9.94A.010, including the intent of the legislature to emphasize confinement for the violent offender and alternatives to confinement for the nonviolent offender. The review and evaluation shall also examine whether current sentencing ranges and standards are consistent with existing corrections capacity.

The review and evaluation shall consider studies on the cost-effectiveness of sentencing alternatives, as well as the fiscal impact of sentencing policies on state and local government. In conducting the review and evaluation, the commission shall consult with the superior court judges' association, the Washington association of prosecuting attorneys, the Washington defenders' association, the Washington association of criminal defense lawyers, the Washington association of sheriffs and police chiefs, organizations representing crime victims, and other organizations and individuals with expertise and interest in sentencing policy.

Not later than December 1, 2001, the commission shall present to the appropriate standing committees of the legislature the report of its comprehensive review and evaluation, together with any recommendations for revisions and modifications to state sentencing policy, including sentencing ranges and standards, mandatory minimum sentences, and sentence enhancements. If implementation of the recommendations of the commission would result in exceeding the capacity of correctional facilities, the commission shall at the same time present to the legislature a list of revised standard sentence ranges which are consistent with currently authorized rated and operational corrections capacity, and consistent with the purposes of the sentencing reform act.

NEW SECTION. Sec. 224. DEPARTMENT OF THE EMPLOYMENT SECURITY DEPARTMENT

General Fund—Federal Appropriation	\$	180,628,000
General Fund—Private/Local Appropriation	\$	30,119,000
Unemployment Compensation Administration Account—		
Federal Appropriation	\$	181,677,000
Administrative Contingency Account—State		
Appropriation	\$	13,914,000
Employment Service Administrative Account—State		

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Appropriation	\$	20,001,000
TOTAL APPROPRIATION	\$	426,339,000

**PART III
NATURAL RESOURCES**

NEW SECTION. Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund—State Appropriation (FY 2002)	\$	398,000
General Fund—State Appropriation (FY 2003)	\$	391,000
General Fund—Private/Local Appropriation	\$	749,000
TOTAL APPROPRIATION	\$	1,538,000

The appropriations in this section are subject to the following conditions and limitations: \$40,000 of the general fund—state appropriation for fiscal year 2002 and \$40,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to implement the scenic area management plan for Klickitat county. If Klickitat county adopts an ordinance to implement the scenic area management plan in accordance with the national scenic area act, P.L. 99-663, then the amounts provided in this subsection shall be provided as a grant to Klickitat county to implement its responsibilities under the act.

***NEW SECTION. Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund—State Appropriation (FY 2002)	\$	46,633,000
General Fund—State Appropriation (FY 2003)	\$	44,481,000
General Fund—Federal Appropriation	\$	56,805,000
General Fund—Private/Local Appropriation	\$	4,351,000
Special Grass Seed Burning Research Account—		
State Appropriation	\$	14,000
Reclamation Revolving Account—State		
Appropriation	\$	1,810,000
Flood Control Assistance Account—		
State Appropriation	\$	4,098,000
State Emergency Water Projects Revolving Account—		
State Appropriation	\$	878,000
Waste Reduction/Recycling/Litter Control Account—		
State Appropriation	\$	13,537,000
State Drought Preparedness Account—State		
Appropriation	\$	5,325,000
State and Local Improvements Revolving Account		
(Water Supply Facilities)—State		
Appropriation	\$	587,000
Water Quality Account—State Appropriation	\$	12,481,000
Wood Stove Education and Enforcement Account—		
State Appropriation	\$	353,000
Worker and Community Right-to-Know Account—		

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State Appropriation	\$	3,288,000
State Toxics Control Account—State Appropriation	\$	68,931,000
State Toxics Control Account—Private/Local Appropriation	\$	350,000
Local Toxics Control Account—State Appropriation	\$	4,751,000
Water Quality Permit Account—State Appropriation	\$	23,827,000
Underground Storage Tank Account—State Appropriation	\$	2,682,000
Environmental Excellence Account—State Appropriation	\$	504,000
Biosolids Permit Account—State Appropriation	\$	589,000
Hazardous Waste Assistance Account—State Appropriation	\$	4,308,000
Air Pollution Control Account—State Appropriation	\$	1,066,000
Oil Spill Prevention Account—State Appropriation	\$	7,921,000
Air Operating Permit Account—State Appropriation	\$	3,608,000
Freshwater Aquatic Weeds Account—State Appropriation	\$	1,898,000
Oil Spill Response Account—State Appropriation	\$	7,078,000
Metals Mining Account—State Appropriation	\$	5,000
Water Pollution Control Revolving Account— State Appropriation	\$	467,000
Water Pollution Control Revolving Account— Federal Appropriation	\$	2,316,000
TOTAL APPROPRIATION	\$	324,942,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,874,000 of the general fund—state appropriation for fiscal year 2002, \$3,874,000 of the general fund—state appropriation for fiscal year 2003, \$394,000 of the general fund—federal appropriation, \$2,070,000 of the oil spill prevention account—state appropriation, and \$3,686,000 of the water quality permit account—state appropriation are provided solely for the implementation of the Puget Sound work plan and agency action items DOE-01, DOE-02, DOE-03, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

(2) \$500,000 of the state toxics control account appropriation is provided for an assessment of the financial assurance requirements of hazardous waste management facilities. By September 30, 2002, the department shall provide to

the governor and appropriate committees of the legislature a report that: (a) Evaluates current statutes and regulations governing hazardous waste management facilities; (b) analyzes and makes recommendations for improving financial assurance regulatory control; and (c) makes recommendations for funding financial assurance regulatory control of hazardous waste management facilities.

(3) \$250,000 of the general fund—state appropriation for fiscal year 2002, \$250,000 of the general fund—state appropriation for fiscal year 2003, \$564,000 of the state drought preparedness account—state appropriation, and \$549,000 of the water quality account—state appropriation are provided solely for enhanced streamflow monitoring in critical salmon recovery basins. \$640,000 of this amount is provided solely to implement the Puget Sound work plan and agency action item DOE-01.

(4) \$1,000,000 of the state toxics control account appropriation in this section is provided solely for the department to work in cooperation with local jurisdictions to address emerging storm water management requirements. This work shall include developing a storm water manual for eastern Washington, technical assistance to local jurisdictions, and increased implementation of the department's existing storm water program. \$200,000 of this amount is provided solely for implementation of the Puget Sound work plan and agency action item DOE-06.

(5) \$383,000 of the general fund—state appropriation for fiscal year 2002 and \$383,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for water conservation plan review, technical assistance, and project review for water conservation and reuse projects. By December 1, 2003, the department in cooperation with the department of health shall report to the governor and appropriate committees of the legislature on the activities and achievements related to water conservation and reuse during the past two biennia. The report shall include an overview of technical assistance provided, reuse project development activities, and water conservation achievements.

(6) \$3,424,000 of the state toxics control account appropriation is provided solely for methamphetamine lab clean up activities.

(7) \$800,000 of the state toxics control account appropriation is provided solely to implement the department's persistent, bioaccumulative toxic chemical strategy. \$54,000 of this amount shall be allocated to the department of health to assist with this effort.

(8) Up to \$11,365,000 of the state toxics control account appropriation is provided for the remediation of contaminated sites. Of this amount, up to \$2,000,000 may be used to pay existing site remediation liabilities owed to the federal environmental protection agency for clean-up work that has been completed. The department shall carefully monitor actual revenue collections into the state toxics control account, and is authorized to limit actual expenditures of the appropriation provided in this section consistent with available revenue.

(9) \$200,000 of the state toxics control account appropriation is provided to assess the effectiveness of the state's current toxic pollution prevention and

dangerous waste programs and policies. The department shall work with affected stakeholder groups and the public to evaluate the performance of existing programs, and identify feasible methods of reducing the generation of these wastes. The department shall report its findings to the governor and the appropriate committees of the legislature by September 30, 2002.

(10) \$1,200,000 of the state toxics control account appropriation is provided solely for the department, in conjunction with affected local governments, to address emergent areawide soil contamination problems. The department's efforts will include public involvement processes and completing assessments of the geographical extent of toxic contamination including highly contaminated areas.

(11) \$170,000 of the oil spill prevention account appropriation is provided solely for implementation of the Puget Sound work plan action item UW-02 through a contract with the University of Washington's sea grant program to develop an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(12) \$1,500,000 of the general fund—state appropriation for fiscal year 2002, \$1,500,000 of the general fund—state appropriation for fiscal year 2003, and \$3,000,000 of the water quality account appropriation are provided solely to implement chapter 237, Laws of 2001 (Engrossed Substitute House Bill No. 1832, water resources management) and to support the processing of applications for changes and transfers of existing water rights.

(13) \$4,500,000 of the general fund—state appropriation for fiscal year 2002 and \$4,500,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for grants to local governments to conduct watershed planning.

(14) \$3,114,000 of the water quality account appropriation is provided solely to implement Engrossed Substitute House Bill No. 1832 (water resources management). Of this amount: (a) \$2,100,000 is provided for grants to local governments for targeted watershed assessments consistent with Engrossed Substitute House Bill No. 1832; and (b) the remainder of the funding is provided solely for development of a state environmental policy act template to streamline environmental review, creation of a blue ribbon panel to develop long-term watershed planning implementation funding options, and technical assistance.

(15) \$50,000 of the general fund—state appropriation for fiscal year 2002 is for a conservation district in the Moses Lake region for a culvert removal project on Rocky Ford creek for the purpose of reducing flooding and improving water quality.

(16) \$150,000 of the general fund—state appropriation for fiscal year 2002 and \$150,000 of the general fund—state appropriation for fiscal year 2003 are for the conservation commission for the Washington grazing lands conservation initiative's establishment of the Washington watershed, science, and technology program to provide technical assistance to private landowners in conducting water quality monitoring, riparian vegetation management, and noxious weed control.

(17) \$75,000 of the general fund—state appropriation for fiscal year 2002 is for a conservation district in the Palouse region for a pilot project to evaluate the ability of existing voluntary and regulatory programs to improve water quality in water quality limited segments listed pursuant to section 303(d) of the federal clean water act.

(18) \$200,000 of the water quality account appropriation is provided solely to provide coordination and assistance to groups established for the purpose of protecting, enhancing, and restoring the biological, chemical, and physical processes of watersheds. These groups may include those involved in coordinated resource management, regional fisheries enhancement groups, conservation districts, watershed councils, and private nonprofit organizations incorporated under Title 24 RCW.

(19) \$325,000 of the state drought preparedness account—state appropriation is provided solely for an environmental impact statement of the Pine Hollow reservoir project to be conducted in conjunction with the local irrigation district.

(20) \$1,700,000 of the general fund—state appropriation for fiscal year 2002 and \$280,000 of the oil spill prevention account appropriation are provided solely for oil spill prevention measures in Puget Sound. Of these amounts:

(a) The general fund appropriation is provided solely for the department of ecology to provide for charter safety tug services. Safety tug services shall include: (i) The placement of a dedicated tug at Neah Bay for not less than 200 days in fiscal year 2002; and (ii) other safety tug services that may be released by the department at the request of the United States coast guard captain of the port for Puget Sound to the areas or incidents that the department deems to be of highest concern. By January 10, 2002, the department shall report to the appropriate committees of the legislature regarding the number of dispatches, response time and distance, and other factors pertaining to the safety tug services. The general fund—state appropriation in this subsection is provided solely for implementation of the Puget Sound work plan and agency action item DOE-09;

(b) \$100,000 of the oil spill prevention account appropriation is provided solely for the department to conduct a vessel transponder feasibility study for Washington waters and undertake a trial vessel tracking program using transponders. In conducting the feasibility study and trial program, the department of ecology shall consult with state pilotage authorities, the maritime industry and the United States coast guard; and

(c) \$180,000 of the oil spill prevention account appropriation is provided solely to acquire vessel incident reporting information.

The governor shall request the federal government to provide ongoing resources to station a dedicated rescue tug at Neah Bay.

(21) \$600,000 of the water quality account—state appropriation is provided solely for setting instream flows in six basins not currently planning under the watershed planning act.

*Sec. 302 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 303. FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund—State Appropriation (FY 2002)	\$	32,298,000
General Fund—State Appropriation (FY 2003)	\$	32,866,000
General Fund—Federal Appropriation	\$	2,690,000
General Fund—Private/Local Appropriation	\$	60,000
Winter Recreation Program Account—State		
Appropriation	\$	787,000
Off Road Vehicle Account—State Appropriation	\$	274,000
Snowmobile Account—State Appropriation	\$	4,682,000
Aquatic Lands Enhancement Account—State		
Appropriation	\$	337,000
Public Safety and Education Account—State		
Appropriation	\$	48,000
Water Trail Program Account—State		
Appropriation	\$	24,000
Parks Renewal and Stewardship Account—		
State Appropriation	\$	26,420,000
TOTAL APPROPRIATION	\$	100,486,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) Fees approved by the state parks and recreation commission in 2001 are authorized to exceed the fiscal growth factor under RCW 43.135.055.
- (2) The state parks and recreation commission, in collaboration with the office of financial management and legislative staff, shall develop a cost-effective and readily accessible approach for reporting revenues and expenditures at each state park. The reporting system shall be complete and operational by December 1, 2001.
- (3) The appropriation in this section from the off-road vehicle account—state is provided under RCW 46.09.170(1)(c) and is provided solely to bring off-road vehicle recreation facilities into compliance with the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act.
- (4) \$79,000 of the general fund—state appropriation for fiscal year 2002, \$79,000 of the general fund—state appropriation for fiscal year 2003, and \$8,000 of the winter recreation program account—state appropriation are provided solely for a grant for the operation of the Northwest avalanche center.
- (5) \$432,000 of the parks renewal and stewardship account appropriation is provided for the operation of the Silver Lake visitor center. If a long-term management agreement is not reached with the U.S. forest service by September 30, 2001, the amount provided in this subsection shall lapse.
- (6) \$189,000 of the aquatic lands enhancement account appropriation is provided solely for the implementation of the Puget Sound work plan and agency action item P+RC-02.

**NEW SECTION. Sec. 304. FOR THE INTERAGENCY COMMITTEE
FOR OUTDOOR RECREATION**

General Fund—State Appropriation (FY 2002)	\$	393,000
General Fund—State Appropriation (FY 2003)	\$	395,000
General Fund—Federal Appropriation	\$	8,358,000
Firearms Range Account—State Appropriation	\$	13,000
Recreation Resources Account—State Appropriation	\$	2,584,000
Recreation Resources Account—Federal Appropriation	\$	481,000
NOVA Program Account—State Appropriation	\$	611,000
Water Quality Account—State Appropriation	\$	700,000
State Toxics Control Account—State Appropriation	\$	500,000
Aquatic Lands Enhancement Account—State Appropriation	\$	200,000
TOTAL APPROPRIATION	\$	14,235,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$250,000 of the general fund—state appropriation for fiscal year 2002, \$250,000 of the general fund—state appropriation for fiscal year 2003, \$500,000 of the water quality account appropriation, and \$500,000 of the state toxics control account appropriation are provided solely to implement chapter 298, Laws of 2001, Substitute Senate Bill No. 5637 (watershed health monitoring and assessment) and for the development of a comprehensive salmon recovery and watershed health monitoring strategy and action plan. The strategy and action plan shall address the monitoring recommendations of the independent science panel in its report, *Recommendations for Monitoring Salmonid Recovery in Washington State* (December 2000), and of the joint legislative audit and review committee in its report *Investing in the Environment: Environmental Quality Grant and Loan Programs Performance Audit* (January 2001). The action plan shall include an assessment of state agency operations related to monitoring, evaluation, and adaptive management of salmon recovery and watershed health; any operational or statutory changes necessary to implement the strategy and action plan; and funding recommendations.

(2) \$8,000,000 of the general fund—federal appropriation is provided solely for implementation of the forest and fish agreement rules. These funds will be passed through to the department of natural resources and the department of fish and wildlife.

(3) By August 1, 2001, the interagency committee for outdoor recreation shall complete the public lands inventory project and submit the project report to the joint legislative audit and review committee for review.

(4) \$200,000 of the aquatic lands enhancement account—state appropriation is provided solely to develop and implement a conservation initiative for Maury Island. The interagency committee for outdoor recreation shall contract with the Cascade Land Conservancy to develop and implement the initiative and to provide the following services: (a) Land and resource appraisal; (b) development of a plan

of finance for acquisition of land or interests in land; and (c) conduct negotiations among purchasers and willing sellers.

NEW SECTION. Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE

General Fund—State Appropriation (FY 2002)	\$	846,000
General Fund—State Appropriation (FY 2003)	\$	847,000
TOTAL APPROPRIATION	\$	1,693,000

NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION

General Fund—State Appropriation (FY 2002)	\$	2,207,000
General Fund—State Appropriation (FY 2003)	\$	2,196,000
Water Quality Account—State Appropriation	\$	3,739,000
TOTAL APPROPRIATION	\$	8,142,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$500,000 of the water quality account—state appropriation is provided solely for the agriculture, fish, and water negotiations to develop best management practices that will protect and recover salmon. The commission shall make grants to allow interest groups to participate in the negotiations.

(2) \$1,601,000 of the water quality account—state appropriation is provided solely for the completion of limiting factors analysis for watersheds affected by listings of salmon and bull trout under the federal endangered species act.

(3) \$247,000 of the general fund—state appropriation for fiscal year 2002 and \$247,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item CC-01.

(4) By March 1, 2002, the conservation reserve enhancement program contract with the federal farm service agency shall be proposed for amendment to allow funding of flexible riparian buffer standards consistent with: (a) The recommendations of the state's agriculture/fish/water negotiation process; or (b) ordinances adopted through municipal regulations in compliance with the state growth management act requirement to protect critical areas. These ordinances shall be scientifically defensible and include programs for monitoring and adaptive management.

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund—State Appropriation (FY 2002)	\$	51,600,000
General Fund—State Appropriation (FY 2003)	\$	50,762,000
General Fund—Federal Appropriation	\$	37,366,000
General Fund—Private/Local Appropriation	\$	24,365,000
Off Road Vehicle Account—State Appropriation	\$	475,000
Aquatic Lands Enhancement Account—State		

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Appropriation	\$	6,094,000
Public Safety and Education Account—State		
Appropriation	\$	586,000
Recreational Fisheries Enhancement Account—		
State Appropriation	\$	3,032,000
Warm Water Game Fish Account—State		
Appropriation	\$	2,567,000
Eastern Washington Pheasant Enhancement Account—		
State Appropriation	\$	750,000
Wildlife Account—State Appropriation	\$	48,518,000
Wildlife Account—Federal Appropriation	\$	38,182,000
Wildlife Account—Private/Local		
Appropriation	\$	15,133,000
Game Special Wildlife Account—State		
Appropriation	\$	1,941,000
Game Special Wildlife Account—Federal		
Appropriation	\$	9,591,000
Game Special Wildlife Account—Private/Local		
Appropriation	\$	350,000
Water Quality Account—State Appropriation	\$	1,000,000
Environmental Excellence Account—State		
Appropriation	\$	15,000
Regional Fisheries Salmonid Recovery Account—		
Federal Appropriation	\$	1,750,000
Oil Spill Administration Account—State		
Appropriation	\$	963,000
Oyster Reserve Land Account—State		
Appropriation	\$	135,000
TOTAL APPROPRIATION	\$	295,175,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,682,000 of the general fund—state appropriation for fiscal year 2002 and \$1,682,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action items DFW-01 through DFW-07.

(2) \$200,000 of the general fund—state appropriation for fiscal year 2002 and \$200,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the department to update the salmon and steelhead stock inventory.

(3) \$550,000 of the general fund—state appropriation for fiscal year 2002 and \$550,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for salmonid smolt production monitoring.

(4) \$250,000 of the general fund—state appropriation for fiscal year 2002 and \$250,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the department to implement a hatchery endangered species act

response. The response shall include emergency hatchery responses, production, and retrofitting of hatcheries for salmon recovery.

(5) \$600,000 of the general fund—state appropriation for fiscal year 2002 and \$600,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for local salmon recovery technical assistance.

(6) \$1,625,000 of the general fund—state appropriation for fiscal year 2002 and \$1,625,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to fund grants to lead entities established under chapter 77.85 RCW. The department, in consultation with the lead entity advisory group and individual lead entities, shall establish an application process and evaluation criteria to allocate funds to up to 26 lead entities to provide core activities identified in chapter 77.85 RCW. Grants to individual lead entities may range from \$37,500 to \$150,000 per year.

(7) \$125,000 of the general fund—state appropriation for fiscal year 2002 and \$125,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for a grant to the lower Skykomish River habitat conservation group for the purpose of developing a salmon recovery plan, in coordination with the lead entity established under chapter 77.85 RCW for that area. The salmon recovery plan must be consistent with the regional recovery plans of the Puget Sound shared strategy and criteria developed by the department for the regional salmon recovery planning program.

(8) \$1,000,000 of the water quality—state appropriation is provided solely to fund grants to lead entities established under chapter 77.85 RCW or watershed planning units established under chapter 90.82 RCW that agree to coordinate the development of comprehensive local and regional salmon recovery plans. The department shall establish a model for local and regional plans as well as eligibility and evaluation criteria for distribution of funds to lead entities and watershed planning units. No annual grant shall exceed \$125,000 per year.

(9) \$91,000 of the warm water game fish account appropriation is provided solely for warm water fish culture at the Rod Meseberg warm water fish production facility.

(10) \$300,000 of the general fund—state appropriation for fiscal year 2002 and \$300,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to fund four cooperative compliance programs, two in Western Washington and two in Eastern Washington. The cooperative compliance program shall conduct fish screen, fish way, and fish passage barrier assessments and correction plans for landowners seeking cooperative compliance agreements with the department.

(11) \$1,300,000 of the general fund—state appropriation for fiscal year 2002 and \$5,000,000 of the general fund—federal appropriation are provided solely for economic adjustment assistance to fishermen pursuant to the 1999 Pacific salmon treaty agreement.

(12) \$2,000,000 of the aquatic lands enhancement account appropriation is provided for cooperative volunteer projects.

(13) \$810,000 of the general fund—state appropriation for fiscal year 2002, \$790,000 of the general fund—state appropriation for fiscal year 2003, and \$250,000 of the wildlife account—state appropriation are provided solely for enforcement and biological staff to respond and take appropriate action to public complaints regarding bear and cougar.

(14) The department shall evaluate the fish program to determine if activities are aligned with agency objectives and if specific activities support the agency's strategic plan.

(15) The department shall implement a lands program manager consolidation program. The consolidation program shall target the department's south central region. The savings from this consolidation shall be used by the department for additional maintenance on agency lands within the south central region.

(16) The department shall implement a survey of all agency lands to evaluate whether agency lands support the agency's strategic plan and goals. The department shall submit a report to the governor and legislature by September 1, 2002, identifying those lands not conforming with the agency's strategic plan and which should be divested.

(17) \$388,000 of the general fund—state appropriation for fiscal year 2002 and \$388,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to implement the forests and fish agreement and includes funding to continue statewide coordination and implementation of the forests and fish rules, integration of portions of the hydraulic code into the forest practices rules to provide permit streamlining, and sharing the responsibility of developing and implementing the required forests and fish agreement monitoring and adaptive management program.

(18) \$194,000 of the general fund—state appropriation for fiscal year 2002 and \$195,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for staff to represent the state's fish and wildlife interests in hydroelectric project relicensing processes by the federal energy regulatory commission.

(19) \$156,000 of the wildlife account—state appropriation is provided solely for a youth fishing coordinator to develop partnerships with local communities, and to identify, develop, fund, and promote youth fishing events and opportunities. Event coordination and promotion services shall be contracted to a private consultant.

(20) \$135,000 of the oyster reserve land account appropriation is provided solely to implement chapter 273, Laws of 2001, Engrossed Second Substitute House Bill No. 1658 (state oyster reserve lands).

(21) \$43,000 of the general fund—state appropriation for fiscal year 2002 and \$42,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for staffing and operation of the Tennant Lake interpretive center.

(22) \$32,000 of the general fund—state appropriation for fiscal year 2002 and \$33,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to support the activities of the aquatic nuisance species coordination

committee to foster state, federal, tribal, and private cooperation on aquatic nuisance species issues. The committee shall strive to prevent the introduction of nonnative aquatic species and to minimize the spread of species that are introduced.

(23) \$25,000 of the wildlife account—state appropriation is provided solely for the WildWatchCam program to provide internet transmission of live views of wildlife.

(24) \$8,000 of the general fund—state appropriation for fiscal year 2002 and \$7,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the payment of the department's share of approved lake management district assessments. By December 15, 2001, the department shall provide the legislature a summary of its activities related to lake management districts as well as recommendations for establishing equitable lake management district assessments.

***NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund—State Appropriation (FY 2002)	\$	36,709,000
General Fund—State Appropriation (FY 2003)	\$	36,266,000
General Fund—Federal Appropriation	\$	3,440,000
General Fund—Private/Local Appropriation	\$	1,865,000
Forest Development Account—State		
Appropriation	\$	52,511,000
Off Road Vehicle Account—State		
Appropriation	\$	3,684,000
Surveys and Maps Account—State		
Appropriation	\$	2,689,000
Aquatic Lands Enhancement Account—State		
Appropriation	\$	4,458,000
Resources Management Cost Account—State		
Appropriation	\$	85,979,000
Surface Mining Reclamation Account—State		
Appropriation	\$	2,549,000
Salmon Recovery Account—State		
Appropriation	\$	625,000
Water Quality Account—State Appropriation	\$	2,900,000
Aquatic Land Dredged Material Disposal Site		
Account—State Appropriation	\$	1,056,000
Natural Resource Conservation Areas Stewardship		
Account Appropriation	\$	34,000
Air Pollution Control Account—State		
Appropriation	\$	629,000
Metals Mining Account—State Appropriation	\$	64,000
Agricultural College Trust Management Account		
Appropriation	\$	1,790,000

TOTAL APPROPRIATION \$ 237,248,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$18,000 of the general fund—state appropriation for fiscal year 2002, \$18,000 of the general fund—state appropriation for fiscal year 2003, and \$998,000 of the aquatic lands enhancement account appropriation are provided solely for the implementation of the Puget Sound work plan and agency action items DNR-01, DNR-02, and DNR-04.

(2)(a) \$625,000 of the salmon recovery account appropriation, \$1,250,000 of the general fund—state appropriation for fiscal year 2002, \$1,250,000 of the general fund—state appropriation for fiscal year 2003, and \$2,900,000 of the water quality account—state appropriation are provided solely for implementation of chapter 4, Laws of 1999 sp. sess. (forest practices and salmon recovery).

(b) \$250,000 of the salmon recovery account appropriation is provided solely for and shall be expended to develop a small forest landowner data base in ten counties. \$150,000 of the amount in this subsection shall be used to purchase the data. \$100,000 of the amount in this subsection shall purchase contracted analysis of the data.

(3) \$2,000,000 of the forest development account appropriation is provided solely for road decommissioning, maintenance, and repair in the Lake Whatcom watershed.

(4) \$543,000 of the forest fire protection assessment account appropriation, \$22,000 of the forest development account appropriation, and \$76,000 of the resource management cost account appropriation are provided solely to implement chapter 279, Laws of 2001, Substitute House Bill No. 2104, (modifying forest fire protection assessments).

(5) \$895,000 of the general fund—state appropriation for fiscal year 2002 and \$895,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(6) The entire appropriation from the access road revolving fund is provided solely for and shall be expended to survey, map, and evaluate and construct, improve, or abandon trust land roads to meet the requirements of the forests and fish agreement.

(7) \$4,000 of the general fund—state appropriation for fiscal year 2002 and \$4,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to compensate the forest board trust for a portion of the lease to the Crescent television improvement district consistent with RCW 79.12.055.

(8) The appropriation from the off-road vehicle account—state is provided under RCW 46.09.170(1)(a)(ii) and is provided solely for projects that bring off-road vehicle recreation facilities into compliance with the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act and do not compromise or impair sensitive natural resources.

(9) \$828,000 of the surface mine reclamation account appropriation is provided to implement Engrossed House Bill No. 1845 (surface mining fees). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(10) \$800,000 of the aquatic lands enhancement account appropriation and \$200,000 of the resources management cost account appropriation are provided solely to improve asset management on state-owned aquatic lands. The department shall streamline the use authorization process for businesses operating on state-owned aquatic lands and issue decisions on 325 pending lease applications by June 30, 2002. The department, in consultation with the attorney general, shall develop a strategic program to resolve claims related to contaminated sediments on state-owned aquatic lands.

(11) \$246,000 of the resource management cost account appropriation is provided to the department for continuing control of spruce budworm.

(12) \$100,000 of the aquatic lands enhancement account is provided solely for the development and initial implementation of a statewide management plan for marine reserves.

(13) \$7,657,859 of the general fund—state appropriation for fiscal year 2002 and \$7,657,859 of the general fund—state appropriation for fiscal year 2003 are provided solely for emergency fire suppression.

(14) \$7,216,000 of the general fund—state appropriation for fiscal year 2002 and \$6,584,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for fire protection activities and to implement provisions of the 1997 tridata fire program review.

(15) \$275,000 of the general fund—state appropriation for fiscal year 2002, \$275,000 of the general fund—state appropriation for fiscal year 2003, and \$550,000 of the aquatic lands enhancement account—state appropriation are provided solely to the department for planning, management, and stewardship of natural area preserves and natural resources conservation areas.

(16) \$187,000 of the general fund—state appropriation for fiscal year 2002, \$188,000 of the general fund—state appropriation for fiscal year 2003, and \$375,000 of the aquatic lands enhancement account—state appropriation are provided solely to the department for maintenance and stewardship of public lands.

(17) \$100,000 of the general fund—state appropriation for fiscal year 2002, \$100,000 of the general fund—state appropriation for fiscal year 2003, and \$400,000 of the aquatic lands enhancement account appropriation are provided solely for spartina control.

*Sec. 308 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE

General Fund—State Appropriation (FY 2002)	\$	8,165,000
General Fund—State Appropriation (FY 2003)	\$	8,024,000
General Fund—Federal Appropriation	\$	4,636,000

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General fund—Private/Local Appropriation	\$	1,110,000
Aquatic Lands Enhancement Account—State		
Appropriation	\$	2,304,000
State Toxics Control Account—State		
Appropriation	\$	2,672,000
TOTAL APPROPRIATION	\$	26,911,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$36,000 of the general fund—state appropriation for fiscal year 2002 and \$37,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for implementation of the Puget Sound work plan and agency action item DOA-01.

(2) \$832,000 of the state toxics control account appropriation and \$298,000 of the agricultural local account are provided solely to establish a program to monitor pesticides in surface water, evaluate pesticide exposure on salmon species listed under the provisions of the endangered species act, and implement actions needed to protect salmonids.

(3) \$1,480,000 of the aquatic lands enhancement account appropriation is provided solely to initiate a four-year plan to eradicate infestations of spartina in Puget Sound, Hood Canal, and Grays Harbor and begin the reduction in spartina infestations in Willapa Bay.

(4) \$75,000 of the general fund—state appropriation for fiscal year 2002, \$75,000 of the general fund—state appropriation for fiscal year 2003, and \$150,000 of the general fund—federal appropriation are provided solely to the small farm and direct marketing program to support small farms in complying with federal, state, and local regulations, facilitating access to food processing centers, and assisting with grant funding requests.

(5) \$350,000 of the general fund—state appropriation for fiscal year 2002, \$350,000 of the general fund—state appropriation for fiscal year 2003, and \$700,000 of the general fund—private/local appropriation are provided solely to implement chapter 324, Laws of 2001 (Substitute House Bill No. 1891, marketing of agriculture). Of these amounts, \$40,000 of the general fund—state appropriation is provided solely to match funds provided by the red raspberry commission to address unfair trade practices by other countries that result in sales in Washington that are below the cost of production in Washington.

(6) \$450,000 of the state toxics control account—state appropriation is provided solely for deposit in the agricultural local nonappropriated account for the plant pest account to reimburse county horticultural pest and disease boards for the costs of pest control activities, including tree removal, conducted under their existing authorities in chapters 15.08 and 15.09 RCW.

(7) The district manager for district two as defined in WAC 16-458-075 shall transfer four hundred fifty thousand dollars from the fruit and vegetable district fund to the plant pest account within the agricultural local fund. The amount transferred must be derived from fees collected for state inspections of tree fruits

and shall be used solely to reimburse county horticultural pest and disease boards in district two for the cost of pest control activities, including tree removal, conducted under their existing authority in chapters 15.08 and 15.09 RCW. The transfer of funds shall occur by July 1, 2001. On June 30, 2003, any unexpended portion of the four hundred fifty thousand dollars shall be returned to the fruit and vegetable district fund.

NEW SECTION. Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM

Pollution Liability Insurance Program Trust Account—

State Appropriation	\$	1,003,000
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**PART IV
TRANSPORTATION**

NEW SECTION. Sec. 401. FOR THE DEPARTMENT OF LICENSING

General Fund—State Appropriation (FY 2002)	\$	5,389,000
General Fund—State Appropriation (FY 2003)	\$	5,377,000
Architects' License Account—State		
Appropriation	\$	707,000
Cemetery Account—State Appropriation	\$	214,000
Professional Engineers' Account—State		
Appropriation	\$	3,032,000
Real Estate Commission—State Appropriation	\$	6,777,000
Master License Account—State Appropriation	\$	8,409,000
Uniform Commercial Code Account—State		
Appropriation	\$	3,104,000
Real Estate Education Account—State		
Appropriation	\$	301,000
Funeral Directors and Embalmers Account—State		
Appropriation	\$	490,000
Washington Real Estate Research Account		
Appropriation	\$	316,000
Data Processing Revolving Account—State		
Appropriation	\$	23,000
TOTAL APPROPRIATION	\$	34,139,000

The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2001-03 fiscal biennium. Pursuant to RCW 43.135.055, during the 2001-03 fiscal

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biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

***NEW SECTION. Sec. 402. FOR THE STATE PATROL**

General Fund—State Appropriation (FY 2002)	\$	21,890,000
General Fund—State Appropriation (FY 2003)	\$	8,066,000
General Fund—Federal Appropriation	\$	4,178,000
General Fund—Private/Local Appropriation	\$	369,000
Death Investigations Account—State		
Appropriation	\$	3,899,000
Public Safety and Education Account—State		
Appropriation	\$	16,070,000
County Criminal Justice Assistance Account—State		
Appropriation	\$	2,490,000
Municipal Criminal Justice Assistance Account—		
State Appropriation	\$	987,000
Fire Service Trust Account—State		
Appropriation	\$	125,000
Fire Service Training Account—State		
Appropriation	\$	6,328,000
State Toxics Control Account—State		
Appropriation	\$	461,000
Violence Reduction and Drug Enforcement Account—		
State Appropriation	\$	277,000
Fingerprint Identification Account—State		
Appropriation	\$	3,684,000
TOTAL APPROPRIATION	\$	68,824,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$354,000 of the public safety and education account appropriation is provided solely for additional law enforcement and security coverage on the west capitol campus.
- (2) When a program within the agency is supported by more than one fund and one of the funds is the state general fund, the agency shall charge its expenditures in such a manner as to ensure that each fund is charged in proportion to its support of the program. The agency may adopt guidelines for the implementation of this subsection. The guidelines may account for federal matching requirements, budget provisos, or other requirements to spend other moneys in a particular manner.
- (3) \$100,000 of the public safety and education account appropriation is provided solely for the implementation of Substitute Senate Bill No. 5896 (DNA testing of evidence). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(4) \$1,419,000 of the public safety and education account—state appropriation is provided solely for combating the proliferation of methamphetamine labs. The amounts in this subsection are provided solely for the following activities: (a) The establishment of a regional methamphetamine enforcement, training, and education program; (b) additional members for the statewide methamphetamine incident response team; and (c) two forensic scientists with the necessary equipment to perform lab analysis in the crime laboratory division.

(5) A study regarding the mobilization of state fire service resources in response to state declared mobilizations shall be performed by the chief of the Washington state patrol through the director of fire protection. The study shall examine and evaluate the cost effectiveness and efficiency of the fire services mobilization plan, and the fire resources mobilization processes and procedures. One member of each of the following organizations shall be represented and shall provide assistance to the director of fire protection with this task: Emergency management division, department of natural resources, Washington state fire commissioners, Washington state association of fire chiefs, Washington state association of fire fighters, and the Washington state fire fighters council. In addition, one rural fire chief and one urban fire chief shall be designated. The chief of the Washington state patrol shall report the findings through the director of fire protection to the fiscal committees of the legislature by December 1, 2001.

(6) Beginning in fiscal year 2003, the funding provided in this subsection assumes a transfer of \$12,634,000 of state patrol expenditures from the omnibus operating budget to the transportation budget. If new transportation revenue is not enacted before this time, the omnibus budget will restore this funding in the 2002 legislative session.

*Sec. 402 was partially vetoed. See message at end of chapter.

**PART V
EDUCATION**

NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) STATE AGENCY OPERATIONS

General Fund—State Appropriation (FY 2002)	\$	12,357,000
General Fund—State Appropriation (FY 2003)	\$	12,266,000
General Fund—Federal Appropriation	\$	23,668,000
TOTAL APPROPRIATION	\$	48,291,000

The appropriations in this section are subject to the following conditions and limitations:

(a) \$11,385,000 of the general fund—state appropriation for fiscal year 2002 and \$11,394,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Of this amount, \$350,000 is provided in each fiscal year for

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upgrading information systems including the general apportionment and student information systems.

(b) \$541,000 of the general fund—state appropriation for fiscal year 2002 and \$441,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Of the general fund—state appropriation for fiscal year 2002, \$100,000 is provided solely for certificate of mastery development and validation.

(c) \$431,000 of the general fund—state appropriation for fiscal year 2002 and \$431,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the Washington professional educator standards board.

(2) STATEWIDE PROGRAMS

General Fund—State Appropriation (FY 2002)	\$	17,274,000
General Fund—State Appropriation (FY 2003)	\$	19,407,000
General Fund—Federal Appropriation	\$	213,016,000
TOTAL APPROPRIATION	\$	249,697,000

The appropriations in this subsection are provided solely for the statewide programs specified in this subsection and are subject to the following conditions and limitations:

(a) HEALTH AND SAFETY

(i) A maximum of \$150,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$150,000 of the fiscal year 2003 appropriation are provided for alcohol and drug prevention programs pursuant to RCW 66.08.180.

(ii) A maximum \$2,621,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$2,621,000 of the general fund—state appropriation for fiscal year 2003 are provided for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(iii) A maximum of \$100,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$100,000 of the general fund—state appropriation for fiscal year 2003 are provided to create a school safety center subject to the following conditions and limitations.

(A) The safety center shall: Disseminate successful models of school safety plans and cooperative efforts; provide assistance to schools to establish a comprehensive safe school plan; select models of cooperative efforts that have been proven successful; act as an information dissemination and resource center when an incident occurs in a school district either in Washington or in another state; coordinate activities relating to school safety; review and approve manuals and curricula used for school safety models and training; and develop and maintain a school safety information web site.

(B) The school safety center shall be established in the office of the superintendent of public instruction. The superintendent of public instruction shall participate in a school safety center advisory committee that includes representatives of educators, classified staff, principals, superintendents, administrators, the American society for industrial security, the state criminal justice training commission, and others deemed appropriate and approved by the school safety center advisory committee. Members of the committee shall be chosen by the groups they represent. In addition, the Washington association of sheriffs and police chiefs shall appoint representatives of law enforcement to participate on the school safety center advisory committee. The advisory committee shall select a chair.

(C) The school safety center advisory committee shall develop a training program, using the best practices in school safety, for all school safety personnel.

(iv) A maximum of \$113,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$103,000 of the general fund—state appropriation for fiscal year 2003 are provided for a school safety training program provided by the criminal justice training commission subject to the following conditions and limitations:

(A) The criminal justice training commission with assistance of the school safety center advisory committee established in section 2(b)(iii) of this section shall develop manuals and curricula for a training program for all school safety personnel.

(B) The Washington state criminal justice training commission, in collaboration with the advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(v) A maximum of \$250,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$250,000 of the general fund—state appropriation for fiscal year 2003 are provided for training in school districts regarding the prevention of bullying and harassment. The superintendent of public instruction shall use the funds to develop a model bullying and harassment prevention policy and training materials for school and educational service districts. The information may be disseminated in a variety of ways, including workshops and other staff development activities such as videotape or broadcasts.

(vi) A maximum of \$6,042,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$6,028,000 of the general fund—state appropriation for fiscal year 2003 are provided for a safety allocation to districts subject to the following conditions and limitations:

(A) The funds shall be allocated at a maximum rate of \$6.36 per year per full-time equivalent K-12 student enrolled in each school district in the prior school year.

(B) Districts shall expend funds allocated under this section to develop and implement strategies identified in a comprehensive safe school plan pursuant to House Bill No. 1818 (student safety) or Senate Bill No. 5543 (student safety). If

neither bill is enacted by June 30, 2001, expenditures of the safety allocation shall be subject to (i), (ii), and (iii) of this subsection (a)(vi)(B).

(i) School districts shall use the funds for school safety purposes and are encouraged to prioritize the use of funds allocated under this section for the development, by September 1, 2002, of school-based comprehensive safe school plans that include prevention, intervention, all-hazards/crisis response, and post crisis recovery components. When developing comprehensive safe school plans, school districts are encouraged to use model school safety plans as developed by the school safety center. Implementation of comprehensive safe school plans may include, but is not limited to, employing or contracting for building security monitors in schools during school hours and school events; research-based early prevention and intervention programs; training for school staff, including security personnel; equipment; school safety hotlines; before, during, and after-school student and staff safety; minor building renovations related to student and staff safety and security; and other purposes identified in the comprehensive safe school plan.

(ii) Each school may conduct an evaluation of its comprehensive safe school plan and conduct reviews, drills, or simulated practices in coordination with local fire, law enforcement, and medical emergency management agencies.

(iii) By September 1, 2002, school districts shall provide the superintendent of public instruction information regarding the purposes for which the safety allocation funding was used and the status of the comprehensive safe school plans for the schools in the school district.

(vii) A maximum of \$200,000 of the general fund—state appropriation for fiscal year 2002, a maximum of \$200,000 of the general fund—state appropriation for fiscal year 2003, and \$400,000 of the general fund—federal appropriation transferred from the department of health are provided for a program that provides grants to school districts for media campaigns promoting sexual abstinence and addressing the importance of delaying sexual activity, pregnancy, and childbearing until individuals are ready to nurture and support their children. Grants to the school districts shall be for projects that are substantially designed and produced by students. The grants shall require a local private sector match equal to one-half of the state grant, which may include in-kind contribution of technical or other assistance from consultants or firms involved in public relations, advertising, broadcasting, and graphics or video production or other related fields.

(viii) A maximum of \$150,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$150,000 of the general fund—state appropriation for fiscal year 2003 are provided for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide the following:

(A) Statewide nonviolence leadership coaches training program for certification of educational employees and community members in nonviolence leadership workshops;

(B) Statewide leadership nonviolence student exchanges, training, and speaking opportunities for student workshop participants; and

(C) A request for proposal process, with up to 80 percent funding, for nonviolence leadership workshops serving at least 12 school districts with direct programming in 36 elementary, middle, and high schools throughout Washington state.

(ix) A maximum of \$1,500,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$1,500,000 of the general fund—state appropriation for fiscal year 2003 are provided for school district petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. Allocation of this money to school districts shall be based on the number of petitions filed.

(b) TECHNOLOGY

(i) A maximum of \$2,000,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$2,000,000 of the general fund—state appropriation for fiscal year 2003 are provided for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network. A maximum of \$650,000 of this amount may be expended for state-level administration and staff training on the K-20 network.

(ii) A maximum of \$617,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$1,112,000 of the general fund—state appropriation for fiscal year 2003 are provided for the Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific Science Center.

(c) GRANTS AND ALLOCATIONS

(i) A maximum of \$25,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$1,975,000 of the general fund—state appropriation for fiscal year 2003 are provided for Senate Bill No. 5695 (alternative certification routes). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse. The stipend allocation per teacher candidate and mentor pair shall not exceed \$28,318. The professional educator standards board shall report to the education committees of the legislature by December 15, 2002, on the districts applying for partnership grants, the districts receiving partnership grants, and the number of interns per route enrolled in each district.

(ii) A maximum of \$31,500 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$31,500 of the general fund—state appropriation for fiscal year 2003 are provided for operation of the Cispus environmental learning center.

(iii) A maximum of \$150,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$150,000 of the general fund—state

appropriation for fiscal year 2003 are provided for the Washington civil liberties education program.

(iv) A maximum of \$2,150,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$2,150,000 of the general fund—state appropriation for fiscal year 2003 are provided for complex need grants. The maximum grants for eligible districts are specified in LEAP Document 30C as developed on April 27, 1997, at 03:00 hours.

(v) A maximum of \$1,377,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$1,377,000 of the general fund—state appropriation for fiscal year 2003 are provided for educational centers, including state support activities. \$100,000 of this amount is provided to help stabilize funding through distribution among existing education centers that are currently funded by the state at an amount less than \$100,000 a biennium.

(vi) A maximum of \$50,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$50,000 of the general fund—state appropriation for fiscal year 2003 are provided for an organization in southwest Washington that received funding from the Spokane educational center in the 1995-97 biennium and provides educational services to students who have dropped out of school.

(vii) A maximum of \$1,262,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$1,262,000 of the general fund—state appropriation for fiscal year 2003 are provided for in-service training and educational programs conducted by the Pacific Science Center.

(viii) A maximum of \$100,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$100,000 of the general fund—state appropriation for fiscal year 2003 are provided to support vocational student leadership organizations.

(ix) \$9,900,000 of the general fund—federal appropriation is provided for the Washington Reads project to enhance high quality reading instruction and school programs.

(x) A maximum of \$150,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$150,000 of the general fund—state appropriation for fiscal year 2003 are provided for the World War II oral history project.

(xi) \$30,700,000 of the general fund—federal appropriation is provided for school renovation grants for school districts with urgent school renovation needs, special education-related renovations, and technology related renovations.

(xii) \$1,952,000 of the general fund—federal appropriation is provided for LINKS technology challenge grants to integrate educational reform with state technology systems and development of technology products that enhance professional development and classroom instruction.

(xiii) \$423,000 of the general fund—federal appropriation is provided for the advanced placement fee program to increase opportunities for low-income students and under-represented populations to participate in advanced placement courses

and to increase the capacity of schools to provide advanced placement courses to students.

(xiv) \$12,318,000 of the general fund—federal appropriation is provided for comprehensive school reform demonstration projects to provide grants to low-income schools for improving student achievement through adoption and implementation of research-based curricula and instructional programs.

(xv) \$4,228,000 of the general fund—federal appropriation is provided for teacher quality enhancement through provision of consortia grants to school districts and higher education institutions to improve teacher preparation and professional development.

NEW SECTION. Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2002)	\$	3,760,826,000
General Fund—State Appropriation (FY 2003)	\$	3,751,350,000
TOTAL APPROPRIATION	\$	7,512,176,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for certificated staff salaries for the 2001-02 and 2002-03 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (d) through (f) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

(a) On the basis of each 1,000 average annual full-time equivalent enrollments, excluding full-time equivalent enrollment otherwise recognized for certificated staff unit allocations under (c) through (f) of this subsection:

(i) Four certificated administrative staff units per thousand full-time equivalent students in grades K-12;

(ii) 49 certificated instructional staff units per thousand full-time equivalent students in grades K-3;

(iii) Forty-six certificated instructional staff units per thousand full-time equivalent students in grades 4-12; and

(iv) An additional 4.2 certificated instructional staff units for grades K-3 and an additional 7.2 certificated instructional staff units for grade 4. Any funds allocated for the additional certificated units provided in this subsection (iv) shall not be considered as basic education funding;

(v) For class size reduction and expanded learning opportunities under the better schools program, an additional 2.2 certificated instructional staff units for grades K-4 per thousand full-time equivalent students. Funds allocated for these

additional certificated units shall not be considered as basic education funding. The allocation may be used for reducing class sizes in grades K-4 or to provide additional classroom contact hours for kindergarten, before-and-after-school programs, weekend school programs, summer school programs, and intercession opportunities to assist elementary school students in meeting the essential academic learning requirements and student assessment performance standards. For purposes of this subsection, additional classroom contact hours provided by teachers beyond the normal school day under a supplemental contract shall be converted to a certificated full-time equivalent by dividing the classroom contact hours by 900.

(A) Funds provided under this subsection (2)(a)(iv) and (v) in excess of the amount required to maintain the statutory minimum ratio established under RCW 28A.150.260(2)(b) shall be allocated only if the district documents an actual ratio equal to or greater than 55.4 certificated instructional staff per thousand full-time equivalent students in grades K-4. For any school district documenting a lower certificated instructional staff ratio, the allocation shall be based on the district's actual grades K-4 certificated instructional staff ratio achieved in that school year, or the statutory minimum ratio established under RCW 28A.150.260(2)(b), if greater;

(B) Districts at or above 51.0 certificated instructional staff per one thousand full-time equivalent students in grades K-4 may dedicate up to 1.3 of the 55.4 funding ratio to employ additional classified instructional assistants assigned to basic education classrooms in grades K-4. For purposes of documenting a district's staff ratio under this section, funds used by the district to employ additional classified instructional assistants shall be converted to a certificated staff equivalent and added to the district's actual certificated instructional staff ratio. Additional classified instructional assistants, for the purposes of this subsection, shall be determined using the 1989-90 school year as the base year;

(C) Any district maintaining a ratio equal to or greater than 55.4 certificated instructional staff per thousand full-time equivalent students in grades K-4 may use allocations generated under this subsection (2)(a)(iv) and (v) in excess of that required to maintain the minimum ratio established under RCW 28A.150.260(2)(b) to employ additional basic education certificated instructional staff or classified instructional assistants in grades 5-6. Funds allocated under this subsection (2)(a)(iv) and (v) shall only be expended to reduce class size in grades K-6. No more than 1.3 of the certificated instructional funding ratio amount may be expended for provision of classified instructional assistants;

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;

(c)(i) On the basis of full-time equivalent enrollment in:

(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students; and

(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support;

(d) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the state board of education and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(f) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades

K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full time equivalent students.

Units calculated under (f)(ii) of this subsection shall be reduced by certificated staff units at the rate of forty-six certificated instructional staff units and four certificated administrative staff units per thousand vocational full-time equivalent students.

(g) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit; and

(h) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit.

(3) Allocations for classified salaries for the 2001-02 and 2002-03 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(d) through (h) of this section, one classified staff unit for each three certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each sixty average annual full-time equivalent students; and

(c) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit.

(4) Fringe benefit allocations shall be calculated at a rate of 11.27 percent in the 2001-02 school year and 11.27 percent in the 2002-03 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 12.92 percent in the 2001-02 school year and 12.92 percent in the 2002-03 school year for classified salary allocations provided under subsection (3) of this section.

(5) Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504(3) of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsection (2) of this section; and

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of \$8,519 per certificated staff unit in the 2001-02 school year and a maximum of \$8,715 per certificated staff unit in the 2002-03 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of \$20,920 per certificated staff unit in the 2001-02 school year and a maximum of \$21,401 per certificated staff unit in the 2002-03 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of \$16,233 per certificated staff unit in the 2001-02 school year and a maximum of \$16,606 per certificated staff unit in the 2002-03 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of \$494.34 for the 2001-02 and 2002-03 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

(8) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(9) The superintendent may distribute a maximum of \$6,510,000 outside the basic education formula during fiscal years 2002 and 2003 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002 and a maximum of \$491,000 may be expended in fiscal year 2003;

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(b) For summer vocational programs at skills centers, a maximum of \$2,098,000 may be expended each fiscal year;

(c) A maximum of \$343,000 may be expended for school district emergencies; and

(d) A maximum of \$500,000 per fiscal year may be expended for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs.

(10) For purposes of RCW 84.52.0531, the increase per full-time equivalent student in state basic education appropriations provided under this act, including appropriations for salary and benefits increases, is 2.5 percent from the 2000-01 school year to the 2001-02 school year, and 3.3 percent from the 2000-01 school year to the 2002-03 school year.

(11) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) through (h) of this section, the following shall apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (2)(a) through (h) of this section shall be reduced in increments of twenty percent per year.

NEW SECTION. Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE COMPENSATION.

(1) The following calculations determine the salaries used in the general fund allocations for certificated instructional, certificated administrative, and classified staff units under section 502 of this act:

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 12E for the appropriate year, by the district's average staff mix factor for basic education and special education certificated instructional staff in that school year, computed using LEAP Document 1S; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 12E for the appropriate year.

(2) For the purposes of this section:

(a) "Basic education certificated instructional staff" is defined as provided in RCW 28A.150.100 and "special education certificated staff" means staff assigned

to the state-supported special education program pursuant to chapter 28A.155 RCW in positions requiring a certificate;

(b) "LEAP Document 1S" means the computerized tabulation establishing staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 25, 1999, at 16:55 hours; and

(c) "LEAP Document 12E" means the computerized tabulation of 2001-02 and 2002-03 school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on March 13, 2001, at 16:32 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of 10.63 percent for school years 2001-02 and 2002-03 for certificated staff and 9.42 percent for school years 2001-02 and 2002-03 for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

K-12 Salary Schedule for Certificated Instructional Staff
2001-02 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90
0	27,467	28,209	28,977	29,746	32,219
1	27,836	28,588	29,366	30,171	32,668
2	28,464	29,231	30,025	30,900	33,414
3	29,401	30,192	31,009	31,931	34,490
4	30,063	30,896	31,727	32,689	35,290
5	30,750	31,595	32,443	33,468	36,085
6	31,147	31,974	32,850	33,928	36,531
7	32,164	33,010	33,909	35,055	37,724
8	33,195	34,088	35,008	36,248	38,954
9		35,205	36,169	37,455	40,223
10			37,344	38,724	41,529
11				40,029	42,895
12				41,293	44,298
13					45,736
14					47,181
15					48,408
16 or more					49,376

Years of Service	BA+135	MA	MA+45	MA+90 or PHD
0	33,811	32,931	35,403	36,996

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1	34,252	33,297	35,793	37,377
2	35,030	33,995	36,509	38,124
3	36,177	35,027	37,585	39,273
4	37,007	35,755	38,355	40,072
5	37,853	36,503	39,121	40,889
6	38,308	36,904	39,508	41,285
7	39,569	38,031	40,700	42,546
8	40,867	39,225	41,930	43,843
9	42,201	40,430	43,200	45,177
10	43,572	41,700	44,505	46,549
11	44,979	43,005	45,872	47,956
12	46,446	44,362	47,275	49,422
13	47,947	45,766	48,712	50,923
14	49,505	47,212	50,251	52,481
15	50,792	48,439	51,557	53,846
16 or more	51,808	49,407	52,589	54,923

**K-12 Allocation Salary Schedule For Certificated Instructional Staff
2002-03 School Year**

Years of Service	BA	BA+15	BA+30	BA+45	BA+90
0	28,318	29,083	29,875	30,668	33,217
1	28,699	29,473	30,276	31,106	33,680
2	29,345	30,137	30,955	31,857	34,449
3	30,312	31,127	31,970	32,920	35,559
4	30,994	31,854	32,710	33,702	36,383
5	31,703	32,574	33,448	34,505	37,203
6	32,112	32,964	33,868	34,979	37,663
7	33,160	34,033	34,959	36,141	38,893
8	34,223	35,145	36,092	37,372	40,161
9		36,295	37,289	38,616	41,470
10			38,501	39,923	42,815
11				41,269	44,225
12				42,572	45,671
13					47,153
14					48,642
15					49,907
16 or more					50,906

\Years of Service	BA+135	MA	MA+45	MA+90 or PHD
0	34,859	33,951	36,500	38,142
1	35,313	34,328	36,902	38,535

2	36,116	35,048	37,640	39,305
3	37,298	36,112	38,750	40,490
4	38,153	36,863	39,544	41,314
5	39,026	37,634	40,333	42,156
6	39,495	38,047	40,732	42,564
7	40,795	39,210	41,961	43,864
8	42,133	40,440	43,229	45,201
9	43,509	41,683	44,538	46,577
10	44,922	42,992	45,884	47,991
11	46,373	44,337	47,293	49,442
12	47,885	45,736	48,739	50,953
13	49,432	47,184	50,221	52,501
14	51,039	48,675	51,808	54,107
15	52,366	49,940	53,155	55,514
16 or more	53,413	50,938	54,218	56,624

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

(i) Credits earned since receiving the masters degree; and

(ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

(d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this act, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

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

(7) The certificated instructional staff base salary specified for each district in LEAP Document 12E and the salary schedules in subsection (4)(a) of this section include three learning improvement days originally added in the 1999-00 school year. A school district is eligible for the learning improvement day funds for school years 2001-02 and 2002-03, only if three learning improvement days

have been added to the 180-day contract year. If fewer than three days are added, the additional learning improvement allocation shall be adjusted accordingly. The additional days shall be for activities related to improving student learning consistent with education reform implementation. The length of a learning improvement day shall not be less than the length of a full day under the base contract. The superintendent of public instruction shall ensure that school districts adhere to the intent and purposes of this subsection.

(8) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund—State Appropriation (FY 2002)	\$	124,130,000
General Fund—State Appropriation (FY 2003)	\$	274,529,000
TOTAL APPROPRIATION	\$	398,659,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$318,024,000 is provided for a cost of living adjustment for state formula staff units of 3.7 percent effective September 1, 2001, and another salary adjustment effective on September 1, 2002, in a percentage amount to be determined by the 2002 legislature consistent with the provisions of chapter 4, Laws of 2001 (Initiative Measure No. 732). The appropriations include associated incremental fringe benefit allocations at rates of 10.63 percent for school years 2001-02 and 2002-03 for certificated staff and 9.42 percent for school years 2001-02 and 2002-03 for classified staff.

(a) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act, in accordance with chapter 4, Laws of 2001 (Initiative Measure No. 732). Salary adjustments for state employees in the office of superintendent of public instruction and the education reform program are provided in part VII of this act. Increases for general apportionment (basic education) are based on the salary allocation schedules and methodology in section 502 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in section 502 of this act.

(b) The appropriations in this section provide cost-of-living and incremental fringe benefit allocations based on formula adjustments as follows:

	School Year	
	2001-02	2002-03
Pupil Transportation (per weighted pupil mile)	\$ 0.77	\$ 1.44
Highly Capable (per formula student)	\$ 8.75	\$ 16.35

Transitional Bilingual Education (per eligible bilingual student)	\$ 22.73	\$ 42.48
Learning Assistance (per entitlement unit)	\$ 11.23	\$ 20.99
Substitute Teacher (allocation per teacher, section 502(7))	\$ 18.29	\$ 34.18

(2) This act appropriates general fund—state funds for the purpose of providing the annual salary cost-of-living increase required by section 2, chapter 4, Laws of 2001 (Initiative Measure No. 732) for teachers and other school district employees in the state-funded salary base. For employees not included in the state-funded salary base, the annual salary cost-of-living increase may be provided by school districts from the federal funds appropriated in this act and local revenues, including the adjusted levy base as provided in RCW 84.52.053 and section 502 of this act, and state discretionary funds provided under this act.

(3) \$80,635,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$427.73 per month for the 2001-02 and 2002-03 school years. The appropriations in this section provide for a rate increase to \$455.27 per month for the 2001-02 school year and \$493.59 per month for the 2002-03 school year at the following rates:

	School Year	
	2001-02	2002-03
Pupil Transportation (per weighted pupil mile)	\$ 0.25	\$ 0.60
Highly Capable (per formula student)	\$ 1.74	\$ 4.18
Transitional Bilingual Education (per eligible bilingual student)	\$ 4.46	\$10.66
Learning Assistance (per entitlement unit)	\$ 3.51	\$ 8.38

(4) The rates specified in this section are subject to revision each year by the legislature.

NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State Appropriation (FY 2002)	\$	193,198,000
General Fund—State Appropriation (FY 2003)	\$	194,293,000
TOTAL APPROPRIATION	\$	387,491,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) A maximum of \$767,000 of this fiscal year 2002 appropriation and a maximum of \$785,000 of the fiscal year 2003 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state

transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) \$15,000 of the fiscal year 2002 appropriation and \$20,000 of the fiscal year 2003 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.

(4) Allocations for transportation of students shall be based on reimbursement rates of \$37.11 per weighted mile in the 2001-02 school year and \$37.38 per weighted mile in the 2002-03 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS

General Fund—State Appropriation (FY 2002)	\$	3,100,000
General Fund—State Appropriation (FY 2003)	\$	3,100,000
General Fund—Federal Appropriation	\$	225,630,000
TOTAL APPROPRIATION	\$	231,830,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,000,000 of the general fund—state appropriation for fiscal year 2002 and \$3,000,000 of the general fund—state appropriation for fiscal year 2003 are provided for state matching money for federal child nutrition programs.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2002 and \$100,000 of the 2003 fiscal year appropriation are provided for summer food programs for children in low-income areas.

NEW SECTION. Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2002)	\$	419,264,000
General Fund—State Appropriation (FY 2003)	\$	420,644,000
General Fund—Federal Appropriation	\$	256,092,000
TOTAL APPROPRIATION	\$	1,096,000,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment

allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) Effective with the 2001-02 school year, the superintendent of public instruction shall change the S-275 personnel reporting system and all related accounting requirements to ensure that:

- (i) Special education students are basic education students first;
- (ii) As a class, special education students are entitled to the full basic education allocation; and
- (iii) Special education students are basic education students for the entire school day.

(b) Effective with the 2001-02 school year, the S-275 and accounting changes shall supercede any prior excess cost methodologies and shall be required of all school districts.

(3) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4) The superintendent of public instruction shall distribute state funds to school districts based on two categories: The optional birth through age two program for special education eligible developmentally delayed infants and toddlers, and the mandatory special education program for special education eligible students ages three to twenty-one. A "special education eligible student" means a student receiving specially designed instruction in accordance with a properly formulated individualized education program.

(5)(a) For the 2001-02 and 2002-03 school years, the superintendent shall distribute state funds to each district based on the sum of:

(i) A district's annual average headcount enrollment of developmentally delayed infants and toddlers ages birth through two, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(b) of this section, multiplied by the district's average basic education allocation per full-time equivalent student multiplied by 0.9309.

(b) For purposes of this subsection, "average basic education allocation per full-time equivalent student" for a district shall be based on the staffing ratios required by RCW 28A.150.260 and shall not include enhancements, secondary vocational education, or small schools.

(6) The definitions in this subsection apply throughout this section.

(a) "Annual average full-time equivalent basic education enrollment" means the resident enrollment including students enrolled through choice (RCW 28A.225.225) and students from nonhigh districts (RCW 28A.225.210) and

excluding students residing in another district enrolled as part of an interdistrict cooperative program (RCW 28A.225.250).

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age two enrollment, as a percent of the district's annual average full-time equivalent basic education enrollment. For the 2001-02 and the 2002-03 school years, each district's funded enrollment percent shall be the lesser of the district's actual enrollment percent for the school year for which the allocation is being determined or 12.7 percent for the 2001-02 school year or 13.0 percent for the 2002-03 school year.

(7) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be 12.7 percent for the 2001-02 school year and 13.0 percent for the 2002-03 school year, and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) A maximum of \$12,000,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$10,623,000 of the general fund—state appropriation for fiscal year 2003 are provided as safety net funding for districts with demonstrated needs for state special education funding beyond the amounts provided in subsection (5) of this section. Safety net funding shall be awarded by the state safety net oversight committee.

(a) The safety net oversight committee shall first consider the needs of districts adversely affected by the 1995 change in the special education funding formula. Awards shall be based on the lesser of the amount required to maintain the 1994-95 state special education excess cost allocation to the school district in aggregate or on a dollar per funded student basis.

(b) The committee shall then consider unmet needs for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal and local sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

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

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

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

(f) The superintendent may expend up to \$120,000 per year of the amounts provided in this subsection to provide staff assistance to the committee in analyzing applications for safety net funds received by the committee.

(9) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Prior to revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature.

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

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

(b) Staff of the office of the state auditor;

(c) Staff of the office of the financial management; and

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

(11) To the extent necessary, \$5,500,000 of the general fund—federal appropriation shall be expended for safety net funding to meet the extraordinary needs of one or more individual special education students. If safety net awards to meet the extraordinary needs exceed \$5,500,000 of the general fund—federal appropriation, the superintendent shall expend all available federal discretionary funds necessary to meet this need. General fund—state funds shall not be expended for this purpose.

(12) A maximum of \$678,000 may be expended from the general fund—state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(13) \$1,000,000 of the general fund—federal appropriation is provided for projects to provide special education students with appropriate job and independent living skills, including work experience where possible, to facilitate their successful transition out of the public school system. The funds provided by this subsection shall be from federal discretionary grants.

(14) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(15) A maximum of \$1,200,000 of the general fund—federal appropriation may be expended by the superintendent for projects related to use of inclusion strategies by school districts for provision of special education services. The superintendent shall prepare an information database on laws, best practices, examples of programs, and recommended resources. The information may be disseminated in a variety of ways, including workshops and other staff development activities.

(16) A school district may carry over from one year to the next year up to 10 percent of general fund—state funds allocated under this program; however, carry over funds shall be expended in the special education program.

NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRAFFIC SAFETY EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2002)	\$	3,595,000
General Fund—State Appropriation (FY 2003)	\$	2,588,000
TOTAL APPROPRIATION	\$	6,183,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) The appropriations include such funds as are necessary to complete the school year ending in each fiscal year and for prior fiscal year adjustments.
- (2) A maximum of \$253,000 of the fiscal year 2002 general fund appropriation and a maximum of \$254,000 of the fiscal year 2003 general fund appropriation may be expended for regional traffic safety education coordinators.
- (3) Allocations to provide tuition assistance for students eligible for free and reduced price lunch who complete the program shall be a maximum of \$203.97 per eligible student in the 2001-02 and 2002-03 school years.

NEW SECTION. Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS

General Fund—State Appropriation (FY 2002)	\$	4,768,000
General Fund—State Appropriation (FY 2003)	\$	4,768,000
TOTAL APPROPRIATION	\$	9,536,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).
- (2) \$250,000 of the general fund appropriation for fiscal year 2000 and \$250,000 of the general fund appropriation for fiscal year 2001 are provided solely for student teaching centers as provided in RCW 28A.415.100.
- (3) A maximum of \$250,000 of the fiscal year 2002 general fund appropriation and a maximum of \$250,000 of the fiscal year 2003 general fund appropriation are provided for centers for the improvement of teaching pursuant to RCW 28A.415.010.

NEW SECTION. Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2002)	\$	136,315,000
General Fund—State Appropriation (FY 2003)	\$	148,329,000
TOTAL APPROPRIATION	\$	284,644,000

NEW SECTION. Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2002)	\$	19,133,000
General Fund—State Appropriation (FY 2003)	\$	19,115,000
General Fund—Federal Appropriation	\$	8,548,000
TOTAL APPROPRIATION	\$	46,796,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$141,000 of the general fund—state appropriation for fiscal year 2002 and \$139,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund—State Appropriation (FY 2002)	\$	6,443,000
General Fund—State Appropriation (FY 2003)	\$	6,397,000
TOTAL APPROPRIATION	\$	12,840,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of \$328.10 per funded student for the 2001-02

school year and \$328.05 per funded student for the 2002-03 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of two percent of each district's full-time equivalent basic education enrollment.

(3) \$175,000 of the fiscal year 2002 appropriation and \$175,000 of the fiscal year 2003 appropriation are provided for the centrum program at Fort Worden state park.

(4) \$93,000 of the fiscal year 2002 appropriation and \$93,000 of the fiscal year 2003 appropriation are provided for the Washington imagination network and future problem-solving programs.

NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT

General Fund—Federal Appropriation \$ 288,166,000

***NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS**

General Fund—State Appropriation (FY 2002)	\$ 35,882,000
General Fund—State Appropriation (FY 2003)	\$ 36,363,000
General Fund—Federal Appropriation	\$ 3,000,000
TOTAL APPROPRIATION	\$ 75,245,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$322,000 of the general fund—state appropriation for fiscal year 2002 and \$322,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the academic achievement and accountability commission.

(2) \$11,209,000 of the general fund—state appropriation for fiscal year 2002, \$10,872,000 of the general fund—state appropriation for fiscal year 2003, and \$3,000,000 of the general fund—federal appropriation are provided for development and implementation of the Washington assessments of student learning. Up to \$689,000 of the appropriation may be expended for data analysis and data management of test results.

(3) \$1,095,000 of the fiscal year 2002 general fund—state appropriation and \$1,095,000 of the fiscal year 2003 general fund—state appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(4) \$4,695,000 of the general fund—state appropriation for fiscal year 2002 and \$4,695,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(a) A teacher assistance program is a program that provides to a first year beginning teacher peer mentor services that include but are not limited to:

(i) An orientation process and individualized assistance to help beginning teachers who have been hired prior to the start of the school year prepare for the start of a school year;

(ii) The assignment of a peer mentor whose responsibilities to the beginning teacher include but are not limited to constructive feedback, the modeling of instructional strategies, and frequent meetings and other forms of contact;

(iii) The provision by peer mentors of strategies, training, and guidance in critical areas such as classroom management, student discipline, curriculum management, instructional skill, assessment, communication skills, and professional conduct. A district may provide these components through a variety of means including one-on-one contact and workshops offered by peer mentors to groups, including cohort groups, of beginning teachers;

(iv) The provision of release time, substitutes, mentor training in observation techniques, and other measures for both peer mentors and beginning teachers, to allow each an adequate amount of time to observe the other and to provide the classroom experience that each needs to work together effectively;

(v) Assistance in the incorporation of the essential academic learning requirements into instructional plans and in the development of complex teaching strategies, including strategies to raise the achievement of students with diverse learning styles and backgrounds; and

(vi) Guidance and assistance in the development and implementation of a professional growth plan. The plan shall include a professional self-evaluation component and one or more informal performance assessments. A peer mentor may not be involved in any evaluation under RCW 28A.405.100 of a beginning teacher whom the peer mentor has assisted through this program.

(b) In addition to the services provided in (a) of this subsection, an eligible peer mentor program shall include but is not limited to the following components:

(i) Strong collaboration among the peer mentor, the beginning teacher's principal, and the beginning teacher;

(ii) Stipends for peer mentors and, at the option of a district, for beginning teachers. The stipends shall not be deemed compensation for the purposes of salary lid compliance under RCW 28A.400.200 and are not subject to the continuing contract provisions of Title 28A RCW; and

(iii) To the extent that resources are available for this purpose and that assistance to beginning teachers is not adversely impacted, the program may serve second year and more experienced teachers who request the assistance of peer mentors.

(5) \$2,025,000 of the general fund—state appropriation for fiscal year 2002 and \$2,025,000 of the general fund—state appropriation for fiscal year 2003 are provided for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology

development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(6) \$3,600,000 of the general fund—state appropriation for fiscal year 2002 and \$3,600,000 of the general fund—state appropriation for fiscal year 2003 are provided for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(7) \$2,500,000 of the general fund—state appropriation for fiscal year 2002 and \$2,500,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the meals for kids program under RCW 28A.235.145 through 28A.235.155.

(8) \$1,409,000 of the general fund—state appropriation for fiscal year 2002 and \$1,409,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(9) \$1,828,000 of the general fund—state appropriation for fiscal year 2002 and \$1,828,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the mathematics helping corps subject to the following conditions and limitations:

(a) In order to increase the availability and quality of technical mathematics assistance statewide, the superintendent of public instruction shall employ mathematics school improvement specialists to provide assistance to schools and districts. The specialists shall be hired by and work under the direction of a statewide school improvement coordinator. The mathematics improvement specialists shall serve on a rotating basis from one to three years and shall not be permanent employees of the superintendent of public instruction.

(b) The school improvement specialists shall provide the following:

(i) Assistance to schools to disaggregate student performance data and develop improvement plans based on those data;

(ii) Consultation with schools and districts concerning their performance on the Washington assessment of student learning and other assessments emphasizing the performance on the mathematics assessments;

(iii) Consultation concerning curricula that aligns with the essential academic learning requirements emphasizing the academic learning requirements for mathematics, the Washington assessment of student learning, and meets the needs of diverse learners;

(iv) Assistance in the identification and implementation of research-based instructional practices in mathematics;

(v) Staff training that emphasizes effective instructional strategies and classroom-based assessment for mathematics;

(vi) Assistance in developing and implementing family and community involvement programs emphasizing mathematics; and

(vii) Other assistance to schools and school districts intended to improve student mathematics learning.

(10) A maximum of \$500,000 of the general fund—state appropriation for fiscal year 2002 and a maximum of \$500,000 of the general fund—state appropriation for fiscal year 2003 are provided for summer accountability institutes offered by the superintendent of public instruction and the academic achievement and accountability commission. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, and guidance and counseling.

(11) \$3,930,000 of the general fund—state appropriation for fiscal year 2002 and \$3,829,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the Washington reading corps subject to the following conditions and limitations:

(a) Grants shall be allocated to schools and school districts to implement proven, research-based mentoring and tutoring programs in reading for low-performing students in grades K-6. If the grant is made to a school district, the principals of schools enrolling targeted students shall be consulted concerning design and implementation of the program.

(b) The programs may be implemented before, after, or during the regular school day, or on Saturdays, summer, intercessions, or other vacation periods.

(c) Two or more schools may combine their Washington reading corps programs.

(d) A program is eligible for a grant if it meets the following conditions:

(i) The program employs methods of teaching and student learning based on reliable reading/literacy research and effective practices;

(ii) The program design is comprehensive and includes instruction, on-going student assessment, professional development, parental/community involvement, and program management aligned with the school's reading curriculum;

(iii) It provides quality professional development and training for teachers, staff, and volunteer mentors and tutors;

(iv) It has measurable goals for student reading aligned with the essential academic learning requirements; and

(v) It contains an evaluation component to determine the effectiveness of the program.

(e) Funding priority shall be given to low-performing schools.

(f) Beginning and end-of-program testing data shall be available to determine the effectiveness of funded programs and practices. Common evaluative criteria across programs, such as grade-level improvements shall be available for each reading corps program. The superintendent of public instruction shall provide program evaluations to the governor and the appropriate committees of the legislature. Administrative and evaluation costs may be assessed from the annual appropriation for the program.

(g) Grants provided under this section may be used by schools and school districts for expenditures from September 2001 through August 31, 2003.

(12) \$377,000 of the general fund—state appropriation for fiscal year 2002 and \$701,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for salary bonuses for teachers who attain certification by the national board for professional teaching standards.

(a) In the 2001-02 school year, teachers who have attained certification by the national board in the 1999-00 school year or the 2000-01 school year or the 2001-02 school year shall receive an annual bonus not to exceed \$3,500.

(b) In the 2002-03 school year, teachers who have attained certification by the national board in the 2000-01 school year or the 2001-02 school year or the 2002-03 school year shall receive an annual bonus not to exceed \$3,500.

(c) The annual bonus shall be paid in a lump sum amount and shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(d) It is the intent of the legislature that teachers achieving certification by the national board of professional teaching standards will receive no more than three annual bonus payments for attaining certification by the national board.

(13) \$625,000 of the general fund—state appropriation for fiscal year 2002 and \$625,000 of the general fund—state appropriation for fiscal year 2003 are provided for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (a) Development of an individualized professional growth plan for a new principal or principal candidate; and (b) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan.

(14) \$71,000 of the general fund—state appropriation for fiscal year 2002 and \$71,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the second grade reading test. The funds shall be expended for

assessment training for new second grade teachers and replacement of assessment materials.

(15) \$384,000 of the general fund—state appropriation for fiscal year 2002 and \$384,000 of the general fund—state appropriation for fiscal year 2003 are provided for the superintendent to assist schools in implementing high academic standards, aligning curriculum with these standards, and training teachers to use assessments to improve student learning. Funds may also be used to increase community and parental awareness of education reform.

(16) \$130,000 of the general fund—state appropriation for fiscal year 2002 and \$130,000 of the general fund—state appropriation for fiscal year 2003 are provided for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

(17) \$1,000,000 of the general fund—state appropriation for fiscal year 2002 and \$1,800,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to the office of the superintendent of public instruction for focused assistance. The office of the superintendent of public instruction shall conduct educational audits of low-performing schools and enter into performance agreements between school districts and the office to implement the recommendations of the audit and the community. Of the amounts provided, \$219,000 of the fiscal year 2002 appropriation and \$207,000 of the fiscal year 2003 appropriation are provided to the office of the superintendent of public instruction for the administrative duties arising under this subsection. Each educational audit shall include recommendations for best practices and ways to address identified needs and shall be presented to the community in a public meeting to seek input on ways to implement the audit and its recommendations.

(18) \$100,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for grants to school districts to adopt or revise district-wide and school-level plans to achieve performance improvement goals established under RCW 28A.655.030, and to post a summary of the improvement plans on district websites using a common format provided by the office of the superintendent of public instruction.

(19) \$100,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for recognition plaques for schools that successfully met the fourth grade reading improvement goal established under RCW 28A.655.050.

*Sec. 514 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund—State Appropriation (FY 2002)	\$	43,044,000
General Fund—State Appropriation (FY 2003)	\$	45,171,000
TOTAL APPROPRIATION	\$	88,215,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) The superintendent shall distribute a maximum of \$687.19 per eligible bilingual student in the 2001-02 school year and \$687.19 in the 2002-03 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

(3) The superintendent may withhold up to \$295,000 in school year 2001-02 and up to \$268,000 in school year 2002-03, and adjust the per eligible pupil rates in subsection (2) of this section accordingly, for the central provision of assessments as provided in section 2(1) and (2) of Engrossed Second Substitute House Bill No. 2025.

(4) \$70,000 of the amounts appropriated in this section are provided solely to develop a system for the tracking of current and former transitional bilingual program students.

(5) Sufficient funding is provided to implement Engrossed Second Substitute House Bill No. 2025 (schools/bilingual instruction).

NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM

General Fund—State Appropriation (FY 2002)	\$	70,593,000
General Fund—State Appropriation (FY 2003)	\$	68,817,000
TOTAL APPROPRIATION	\$	139,410,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Funding for school district learning assistance programs shall be allocated at maximum rates of \$408.38 per funded unit for the 2001-02 school year and \$409.41 per funded unit for the 2002-03 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(3) For purposes of this section, "test results" refers to the district results from the norm-referenced test administered in the specified grade level. The norm-referenced test results used for the third and sixth grade calculations shall be consistent with the third and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.

(4) A school district's funded units for the 2001-02 and 2002-03 school years shall be the sum of the following:

(a) The district's full-time equivalent enrollment in grades K-6, multiplied by the 5-year average 4th grade lowest quartile test results as adjusted for funding purposes in the school years prior to 1999-2000, multiplied by 0.92. As the 3rd grade test becomes available, it shall be phased into the 5-year average on a 1-year lag; and

(b) The district's full-time equivalent enrollment in grades 7-9, multiplied by the 5-year average 8th grade lowest quartile test results as adjusted for funding purposes in the school years prior to 1999-2000, multiplied by 0.92. As the 6th grade test becomes available, it shall be phased into the 5-year average for these grades on a 1-year lag; and

(c) The district's full-time equivalent enrollment in grades 10-11 multiplied by the 5-year average 11th grade lowest quartile test results, multiplied by 0.92. As the 9th grade test becomes available, it shall be phased into the 5-year average for these grades on a 1-year lag; and

(d) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free and reduced price lunch exceeded the state average, subtract the state average percentage of students eligible for free and reduced price lunch from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the current school year multiplied by 22.3 percent.

(5) School districts may carry over from one year to the next up to 10 percent of funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

NEW SECTION. Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—LOCAL ENHANCEMENT FUNDS

General Fund—State Appropriation (FY 2002)	\$	19,515,000
General Fund—State Appropriation (FY 2003)	\$	17,516,000
TOTAL APPROPRIATION	\$	37,031,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Funds are provided for local education program enhancements to meet educational needs as identified by the school district, including alternative education programs.

(3) Allocations for the 2001-02 school year shall be at a maximum annual rate of \$18.48 per full-time equivalent student and \$18.48 per full-time equivalent student for the 2002-03 school year. Allocations shall be made on the monthly apportionment payment schedule provided in RCW 28A.510.250 and shall be based on school district annual average full-time equivalent enrollment in grades kindergarten through twelve: PROVIDED, That for school districts enrolling not more than one hundred average annual full-time equivalent students, and for small school plants within any school district designated as remote and necessary schools, the allocations shall be as follows:

(a) Enrollment of not more than sixty average annual full-time equivalent students in grades kindergarten through six shall generate funding based on sixty full-time equivalent students;

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(b) Enrollment of not more than twenty average annual full-time equivalent students in grades seven and eight shall generate funding based on twenty full-time equivalent students; and

(c) Enrollment of not more than sixty average annual full-time equivalent students in grades nine through twelve shall generate funding based on sixty full-time equivalent students.

(4) Funding provided pursuant to this section does not fall within the definition of basic education for purposes of Article IX of the state Constitution and the state's funding duty thereunder.

(5) The superintendent shall not allocate up to one-fourth of a district's funds under this section if:

(a) The district is not maximizing federal matching funds for medical services provided through special education programs, pursuant to RCW 74.09.5241 through 74.09.5256 (Title XIX funding); or

(b) The district is not in compliance in filing truancy petitions as required under chapter 312, Laws of 1995 and RCW 28A.225.030.

NEW SECTION. Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BETTER SCHOOLS PROGRAM

General Fund—State Appropriation (FY 2002) \$ 8,996,000

The appropriation in this section is subject to the following conditions and limitations: \$8,996,000 is provided solely to complete the 2000-01 school year allocation for class size reduction and expanded learning opportunities pursuant to section 518, chapter 1, Laws of 2000 2nd sp. sess.

NEW SECTION. Sec. 519. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR STUDENT ACHIEVEMENT PROGRAM

Student Achievement Fund—State
Appropriation (FY 2002) \$ 184,232,000
Student Achievement Fund—State
Appropriation (FY 2003) \$ 209,068,000
TOTAL APPROPRIATION \$ 393,300,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriation is allocated for the following uses as specified in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001 (Initiative Measure No. 728):

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year,

extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extend day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection.

(2) Funding for school district student achievement programs shall be allocated at a maximum rate of \$193.92 per FTE student for the 2001-02 school year and \$220.59 per FTE student for the 2002-03 school year. For the purposes of this section and in accordance with RCW 84.52.— (section 5 of Initiative Measure No. 728), FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year.

(3) The office of the superintendent of public instruction shall distribute ten percent of the annual allocation to districts each month for the months of September through June.

NEW SECTION. Sec. 520. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS. State general fund appropriations provided to the superintendent of public instruction for state entitlement programs in the public schools in this part V of this act may be expended as needed by the superintendent for adjustments to apportionment for prior fiscal periods. Recoveries of state general fund moneys from school districts and educational service districts for a prior fiscal period shall be made as reductions in apportionment payments for the current fiscal period and shall be shown as prior year adjustments on apportionment reports for the current period. Such recoveries shall not be treated as revenues to the state, but as a reduction in the amount expended against the appropriation for the current fiscal period.

NEW SECTION. Sec. 521. FOR THE STATE BOARD OF EDUCATION

Education Savings Account—State		
Appropriation	\$	36,720,000
Education Construction Account—State		
Appropriation	\$	154,500,000
TOTAL APPROPRIATION	\$	191,220,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$18,000,000 in fiscal year 2002 and \$18,720,000 in fiscal year 2003 of the education savings account appropriation shall be deposited in the common school construction account.

(2) \$154,500,000 of the education construction account appropriation shall be deposited in the common school construction account.

PART VI HIGHER EDUCATION

NEW SECTION. Sec. 601. The appropriations in sections 603 through 609 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 603 through 609 of this act.

(2)(a) The salary increases provided or referenced in this subsection shall be the only allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1).

(b) Each institution of higher education shall provide to each classified staff employee as defined by the office of financial management, except for classified staff at the technical colleges, a salary increase of 3.7 percent on July 1, 2001. The technical colleges shall provide to classified employees under chapter 41.56 RCW an average salary increase of 3.7 percent on July 1, 2001. Funds are also provided for salary increases for all classified employees on July 1, 2002, in a percentage amount to be determined by the 2002 legislature and, in the case of technical college classified staff, consistent with the provisions of Initiative 732.

(c) Each institution of higher education, except for the community and technical colleges, shall provide to state-funded instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants as classified by the office of financial management, and all other state-funded nonclassified staff, including those employees under RCW 28B.16.015, an average salary increase of 3.7 percent on July 1, 2001. Funds are also provided for salary increases for these employee groups on July 1, 2002, in a percentage amount to be determined by the 2002 legislature. Each institution may provide the same average increases to similar positions that are not state-funded.

(d) The community and technical colleges shall provide to academic employees, exempt professional staff, and academic administrators an average salary increase of 3.7 percent on July 1, 2001. Funds are also provided for salary increases for these groups on July 1, 2002, in a percentage amount to be determined by the 2002 legislature and, in the case of community college

academic employees and technical college employees, consistent with the provisions of Initiative 732.

(e) For employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1), distribution of the salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(f) Each institution of higher education receiving appropriations under sections 604 through 609 of this act may provide additional salary increases to instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Any salary increase granted under the authority of this subsection (2)(f) shall not be included in an institution's salary base. It is the intent of the legislature that general fund—state support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (2)(f).

(g) To collect consistent data for use by the legislature, the office of financial management, and other state agencies for policy and planning purposes, institutions of higher education shall report personnel data to be used in the department of personnel's human resource data warehouse in compliance with uniform reporting procedures established by the department of personnel.

(h) Specific salary increases authorized in sections 603 through 609 of this act are in addition to any salary increase provided in this subsection.

(3) The tuition fees, as defined in chapter 28B.15 RCW, charged to full-time students at the state's institutions of higher education for the 2001-02 and 2002-03 academic years, other than the summer term, may be adjusted by the governing boards of the state universities, regional universities, The Evergreen State College, and the state board for community and technical colleges as provided in this subsection.

(a) For the 2001-02 academic year, the governing boards and the state board may implement an increase no greater than six and seven-tenths percent over tuition fees charged to full-time students for the 2000-01 academic year.

(b) For the 2002-03 academic year, the governing boards and the state board may implement an increase no greater than six and one-tenth percent over the tuition fees charged to full-time students for the 2001-02 academic year.

(c) For the 2001-02 academic year, the governing boards may implement an increase for law and graduate business programs no greater than twelve percent over tuition fees charged to law and graduate business students for the 2000-01 academic year, except as provided in (e) of this subsection.

(d) For the 2002-03 academic year, the governing boards may implement an increase for law and graduate business programs no greater than twelve percent

over tuition fees charged to law and graduate business students for the 2001-02 academic year, except as provided in (f) of this subsection.

(e) For the 2001-02 academic year, the governing boards of the University of Washington may implement an increase for graduate business programs no greater than 15 percent over tuition fees charged to graduate business students for the 2000-01 academic year.

(f) For the 2002-03 academic year, the governing boards of the University of Washington may implement an increase for graduate business programs no greater than 20 percent over tuition fees charged to graduate business students for the 2001-02 academic year.

(g) For the 2001-02 and the 2002-03 academic years, the state board for community and technical colleges may increase fees differentially based on student credit hour load, but the percentage increase for students taking fifteen or fewer credits shall not exceed the limits in subsection (3)(a) and (b) of this section.

(h) For the 2001-03 biennium, the governing boards and the state board may adjust full-time operating fees for factors that may include time of day and day of week, as well as delivery method and campus, to encourage full use of the state's educational facilities and resources.

(i) The tuition increases adopted under (a), (b), (g), and (h) of this subsection need not apply uniformly across student categories as defined in chapter 28B.15 RCW so long as the increase for each student category does not exceed the percentages specified in this subsection.

(4) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of the operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(5) Pursuant to RCW 43.15.055, institutions of higher education receiving appropriations under sections 603 through 609 of this act are authorized to increase summer term tuition in excess of the fiscal growth factor during the 2001-03 biennium. Tuition levels increased pursuant to this subsection shall not exceed the per credit hour rate calculated from the academic year tuition levels adopted under this act.

(6) Community colleges may increase services and activities fee charges in excess of the fiscal growth factor up to the maximum level authorized by the state board for community and technical colleges.

(7) Each institution receiving appropriations under sections 604 through 609 of this act shall submit a biennial plan to achieve measurable and specific improvements each academic year as part of a continuing effort to make meaningful and substantial progress towards the achievement of long-term performance goals. The plans, to be prepared at the direction of the higher education coordinating board, shall be submitted by August 15, 2001. The higher education coordinating board shall set biennial performance targets for each institution and shall review actual achievements annually. Institutions shall track

their actual performance on the statewide measures as well as faculty productivity, the goals and targets for which may be unique to each institution. A report on progress towards statewide and institution-specific goals, with recommendations for the ensuing biennium, shall be submitted to the fiscal and higher education committees of the legislature by November 15, 2003.

(8) The state board for community and technical colleges shall develop a biennial plan to achieve measurable and specific improvements each academic year as part of a continuing effort to make meaningful and substantial progress to achieve long-term performance goals. The board shall set biennial performance targets for each college or district, where appropriate, and shall review actual achievements annually. Colleges shall track their actual performance on the statewide measures. A report on progress towards the statewide goals, with recommendations for the ensuing biennium, shall be submitted to the fiscal and higher education committees of the legislature by November 15, 2003.

NEW SECTION. Sec. 602. The appropriations in sections 603 through 609 of this act provide state general fund support for full-time equivalent student enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institutions assumed in this act.

	2001-2002 Annual Average	2002-2003 Annual Average
University of Washington		
Main campus	32,321	32,427
Bothell branch	1,169	1,235
Tacoma branch	1,330	1,484
Washington State University		
Main campus	17,332	17,332
Spokane branch	551	593
Tri-Cities branch	616	616
Vancouver branch	1,071	1,153
Central Washington University	7,470	7,470
Eastern Washington University	7,933	8,017
The Evergreen State College	3,754	3,837
Western Washington University	10,976	11,126
State Board for Community and Technical Colleges	125,082	126,902

When allocating newly budgeted enrollments, each institution of higher education shall give priority to high demand fields, including but not limited to technology, health professions, and education. At the end of each fiscal year, each institution of higher education and the state board for community and technical colleges shall submit a report to the higher education coordinating board detailing how newly budgeted enrollments have been allocated.

***NEW SECTION. Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund—State Appropriation (FY 2002)	\$	514,399,000
General Fund—State Appropriation (FY 2003)	\$	543,731,000
General Fund—Federal Appropriation	\$	11,404,000
Education Savings Account—State		
Appropriation	\$	4,500,000
TOTAL APPROPRIATION	\$	1,074,034,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The technical colleges may increase tuition and fees in excess of the fiscal growth factor to conform with the percentage increase in community college operating fees.

(2) \$2,475,000 of the general fund—state appropriation for fiscal year 2002 and \$5,025,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to increase salaries and related benefits for part-time faculty. The board shall report by December 1 of each fiscal year to the office of financial management and legislative fiscal and higher education committees on (a) the distribution of state funds; (b) wage adjustments for part-time faculty; and (c) progress to achieve the long-term performance targets for each district, with respect to use of part-time faculty, pursuant to the faculty mix study conducted under section 603, chapter 309, Laws of 1999.

(3) \$1,155,000 of the general fund—state appropriation for fiscal year 2002 and \$2,345,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for faculty salary increments and associated benefits and may be used in combination with salary and benefit savings from faculty turnover to provide faculty salary increments and associated benefits. To the extent general salary increase funding is used to pay faculty increments, the general salary increase shall be reduced by the same amount.

(4) \$1,000,000 of the general fund—state appropriation for fiscal year 2002 and \$1,000,000 of the general fund—state appropriation for fiscal year 2003 are provided for a program to fund the start-up of new community and technical college programs in rural counties as defined under RCW 43.160.020(12) and in communities impacted by business closures and job reductions. Successful proposals must respond to local economic development strategies and must include a plan to continue programs developed with this funding.

(5) \$326,000 of the general fund—state appropriation for fiscal year 2002 and \$640,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for allocation to twelve college districts identified in (a) through (l) of this subsection to prepare students for transfer to the state technology institute at the Tacoma branch campus of the University of Washington. The appropriations in this section are intended to supplement, not supplant, general enrollment allocations by the board to the districts under (a) through (l) of this subsection:

- (a) Bates Technical College;
- (b) Bellevue Community College;
- (c) Centralia Community College;
- (d) Clover Park Community College;
- (e) Grays Harbor Community College;
- (f) Green River Community College;
- (g) Highline Community College;
- (h) Tacoma Community College;
- (i) Olympic Community College;
- (j) Pierce District;
- (k) Seattle District; and
- (l) South Puget Sound Community College.

(6) \$28,761,000 of the general fund—state appropriation for fiscal year 2002 and \$28,761,000 of the general fund—state appropriation for fiscal year 2003 are provided solely as special funds for training and related support services, including financial aid, as specified in chapter 226, Laws of 1993 (employment and training for unemployed workers).

(a) Funding is provided to support up to 7,200 full-time equivalent students in each fiscal year.

(b) In directing these resources during the 2001-03 biennium, the state board for community and technical colleges shall give considerable attention to the permanent dislocation of workers from industries facing rapidly rising energy costs, such as direct service industries.

(7) \$1,000,000 of the general fund—state appropriation for fiscal year 2002 and \$1,000,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for tuition support for students enrolled in work-based learning programs.

(8) \$567,000 of the general fund—state appropriation for fiscal year 2002 and \$568,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for administration and customized training contracts through the job skills program.

(9) \$50,000 of the general fund—state appropriation for fiscal year 2002 and \$50,000 of the general fund—state appropriation for fiscal year 2003 are solely for higher education student child care matching grants under chapter 28B.135 RCW.

(10) \$212,000 of the general fund—state appropriation for fiscal year 2002 and \$212,000 of the general fund—state appropriation for fiscal year 2003 are provided for allocation to Olympic college. The college shall contract with accredited baccalaureate institution(s) to bring a program of upper-division courses to Bremerton. Funds provided are sufficient to support at least 30 additional annual full-time equivalent students. The state board for community and technical colleges shall report to the office of financial management and the fiscal and higher education committees of the legislature on the implementation of this subsection by December 1st of each fiscal year.

(11) The entire education savings account appropriation is provided solely to support the development of a multicollge student-centered online service center for distance learners, including self-service internet applications and staff support 24 hours per day. Moneys may be allocated by the office of financial management upon certification that sufficient cash is available beyond the appropriations made for the 2001-03 biennium for the purposes of common school construction.

(12) The appropriations in this section assume that \$3,000,000 of the colleges' operating fee accounts will be used to deliver adult basic education courses including English-as-a-Second Language and general education development exam preparation. The legislature intends that colleges stop waiving fees universally and charge not less than \$5.00 a credit hour for adult basic education to help defray state expense and increase positive educational outcomes for enrolled students. Fees may be waived for students with limited income.

*Sec. 603 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 604. FOR UNIVERSITY OF WASHINGTON

General Fund—State Appropriation (FY 2002)	\$	345,974,000
General Fund—State Appropriation (FY 2003)	\$	361,114,000
Death Investigations Account—State		
Appropriation	\$	259,000
University of Washington Building Account—		
State Appropriation	\$	1,103,000
Accident Account—State Appropriation	\$	5,891,000
Medical Aid Account—State Appropriation	\$	5,945,000
TOTAL APPROPRIATION	\$	720,286,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The university may reallocate 10 percent of newly budgeted enrollments to campuses other than as specified by the legislature in section 602 of this act in order to focus on high demand areas. The university shall report the details of these reallocations to the office of financial management and the fiscal and higher education committees of the legislature for monitoring purposes by the 10th day of the academic quarter that follows the reallocation actions. The report shall provide details of undergraduate and graduate enrollments at the main campus and each of the branch campuses.

(2) \$2,000,000 of the general fund—state appropriation for fiscal year 2002 and \$2,000,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to create a state resource for technology education in the form of an institute located at the University of Washington, Tacoma. It is the intent of the legislature that at least ninety-nine of the full-time equivalent enrollments allocated to the university's Tacoma branch campus for the 2002-03 academic year may be used to establish the technology institute. The university will expand undergraduate and graduate degree programs meeting regional technology needs

including, but not limited to, computing and software systems. As a condition of these appropriations:

(a) The university will work with the state board for community and technical colleges, or individual colleges where necessary, to establish articulation agreements in addition to the existing associate of arts and associate of science transfer degrees. Such agreements shall improve the transferability of students and in particular, students with substantial applied information technology credits.

(b) The university will establish performance measures for recruiting, retaining and graduating students, including nontraditional students, and report back to the governor and legislature by September 2002 as to its progress and future steps.

(3) \$150,000 of the general fund—state appropriation for fiscal year 2002 and \$150,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for research faculty clusters in the advanced technology initiative program.

(4) The department of environmental health shall report to the legislature the historical, current, and anticipated use of funds provided from the accident and medical aid accounts. The report shall be submitted prior to the convening of the 2002 legislative session.

(5) \$259,000 of the death investigations account appropriation is provided solely for the forensic pathologist fellowship program.

(6) \$150,000 of the general fund—state appropriation for fiscal year 2002 and \$150,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item UW-01.

(7) \$75,000 of the general fund—state appropriation for fiscal year 2002 and \$75,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the Olympic natural resource center.

(8) \$50,000 of the general fund—state appropriations are provided solely for the school of medicine to conduct a survey designed to evaluate characteristics, factors and probable causes for the high incidence of multiple sclerosis cases in Washington state.

(9) \$1,103,000 of the University of Washington building account—state appropriation is provided solely for the repair and reconstruction of the Urban Horticulture Center (Merrill Hall).

NEW SECTION. Sec. 605. FOR WASHINGTON STATE UNIVERSITY

General Fund—State Appropriation (FY 2002)	\$	201,416,000
General Fund—State Appropriation (FY 2003)	\$	209,939,000
TOTAL APPROPRIATION	\$	411,355,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The university may reallocate 10 percent of newly budgeted enrollments to campuses other than specified by the legislature in section 602 of this act in order to focus on high demand areas. The university will report the details of

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these reallocations to the office of financial management and the fiscal and higher education committees of the legislature for monitoring purposes by the 10th day of the academic quarter that follows the reallocation actions. The report will provide details of undergraduate and graduate enrollments at the main campus and each of the branch campuses.

(2) \$150,000 of the general fund—state appropriation for fiscal year 2002 and \$150,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for research faculty clusters in the advanced technology initiative program.

(3) \$165,000 of the general fund—state appropriation for fiscal year 2002 and \$166,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item WSU-01.

NEW SECTION. Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2002)	\$	45,532,000
General Fund—State Appropriation (FY 2003)	\$	47,382,000
TOTAL APPROPRIATION	\$	92,914,000

NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2002)	\$	44,164,000
General Fund—State Appropriation (FY 2003)	\$	44,976,000
TOTAL APPROPRIATION	\$	89,140,000

The appropriations in this section are subject to the following conditions and limitations: \$700,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the development and implementation of the university's enrollment stabilization recovery and growth plan. The university shall report back to the fiscal committees of the legislature, the office of financial management, and the higher education coordinating board at the end of each fiscal year with details of its actions and progress.

NEW SECTION. Sec. 608. FOR THE EVERGREEN STATE COLLEGE

General Fund—State Appropriation (FY 2002)	\$	25,334,000
General Fund—State Appropriation (FY 2003)	\$	26,260,000
TOTAL APPROPRIATION	\$	51,594,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$75,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the institute for public policy to complete studies of services described in section 202(1), chapter 1, Laws of 2000 2nd sp. sess.

(2) \$11,000 of the general fund—state appropriation for fiscal year 2002 and \$54,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the institute for public policy to conduct an outcome evaluation pursuant

to Substitute Senate Bill No. 5416 (drug-affected infants). The institute shall provide a report to the fiscal, health, and human services committees of the legislature by December 1, 2003. If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall be used to evaluate outcomes across state health and social service pilot projects and other national models involving women who have given birth to a drug-affected infant, comparing gains in positive birth outcomes for resources invested, in which case the Institute's findings and recommendations will be provided by November 15, 2002.

(3) \$11,000 of the general fund—state appropriation for fiscal year 2002 and \$33,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the institute for public policy to evaluate partnership grant programs for alternative teacher certification pursuant to Engrossed Second Substitute Senate Bill No. 5695. An interim report shall be provided to the fiscal and education committees of the legislature by December 1, 2002, and a final report by December 1, 2004.

(4) \$60,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the institute for public policy to examine options for revising the state's funding formula for the learning assistance program to enhance accountability for school performance in meeting education reform goals. The institute shall submit its report to the appropriate legislative fiscal and policy committees by June 30, 2002.

(5) \$50,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the institute for public policy to study the prevalence and needs of families who are raising related children. The study shall compare services and policies of Washington state with other states that have a high rate of kinship care placements in lieu of foster care placements. The study shall identify possible changes in services and policies that are likely to increase appropriate kinship care placements. A report shall be provided to the fiscal and human services committees of the legislature by June 1, 2002.

(6) \$35,000 of the general fund—state appropriation for fiscal year 2002 and \$15,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the institute for public policy to examine various educational delivery models for providing services and education for students through the Washington state school for the deaf. The institute's report, in conjunction with the capacity planning study from the joint legislative audit and review committee, shall be submitted to the fiscal committees of the legislature by September 30, 2002.

(7) \$30,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the institute for public policy to examine the structure, policies, and recent experience in states where welfare recipients may attend college full-time as their required TANF work activity. The institute will provide findings and recommend how Washington could consider adding this feature in a targeted, cost-neutral manner that would complement the present-day WorkFirst efforts and caseload. The institute shall provide a report to the human services, higher education, and fiscal committees of the legislature by November 15, 2001.

(8) \$75,000 of the general fund—state appropriation for fiscal year 2002 and \$75,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the institute for public policy to research and evaluate strategies for constraining the growth in state health expenditures. Specific research topics, approaches, and timelines shall be identified in consultation with the fiscal committees of the legislature.

(9) \$100,000 of the general fund—state appropriation for fiscal year 2002 is provided solely for the institute for public policy to conduct a comprehensive review of the costs and benefits of existing juvenile crime prevention and intervention programs. This evaluation shall also consider what changes could result in more cost-effective and efficient funding for juvenile crime prevention and intervention programs presently supported with state funds. The institute for public policy shall report its findings and recommendations to the appropriate legislative fiscal and policy committees by October 1, 2002.

NEW SECTION. Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2002)	\$	59,755,000
General Fund—State Appropriation (FY 2003)	\$	62,881,000
TOTAL APPROPRIATION	\$	122,636,000

The appropriations in this section are subject to the following conditions and limitations: \$753,000 of the general fund—state appropriation for fiscal year 2002 and \$1,032,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the operations of the North Snohomish, Island, Skagit (NSIS) higher education consortium.

NEW SECTION. Sec. 610. FOR THE HIGHER EDUCATION COORDINATING BOARD—POLICY COORDINATION AND ADMINISTRATION

General Fund—State Appropriation (FY 2002)	\$	2,345,000
General Fund—State Appropriation (FY 2003)	\$	2,408,000
General Fund—Federal Appropriation	\$	636,000
TOTAL APPROPRIATION	\$	5,389,000

The appropriations in this section are provided to carry out the policy coordination, planning, studies and administrative functions of the board and are subject to the following conditions and limitations:

(1) \$150,000 of the general fund—state appropriation for fiscal year 2002 and \$150,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to continue the teacher training pilot program pursuant to chapter 177, Laws of 1999.

(2) \$105,000 of the general fund—state appropriation for fiscal year 2002 and \$245,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to continue a demonstration project to improve rural access to post-secondary education by bringing distance learning technologies into Jefferson county.

NEW SECTION. Sec. 611. FOR THE HIGHER EDUCATION COORDINATING BOARD—FINANCIAL AID AND GRANT PROGRAMS

General Fund—State Appropriation (FY 2002)	\$	123,645,000
General Fund—State Appropriation (FY 2003)	\$	136,205,000
General Fund—Federal Appropriation	\$	7,511,000
Advanced College Tuition Payment Program Account—		
State Appropriation	\$	3,604,000
TOTAL APPROPRIATION	\$	270,965,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$534,000 of the general fund—state appropriation for fiscal year 2002 and \$529,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the displaced homemakers program.

(2) \$234,000 of the general fund—state appropriation for fiscal year 2002 and \$240,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the western interstate commission for higher education.

(3) \$1,000,000 of the general fund—state appropriation for fiscal year 2002 and \$1,000,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the health professional conditional scholarship and loan program under chapter 28B.115 RCW. This amount shall be deposited to the health professional loan repayment and scholarship trust fund to carry out the purposes of the program.

(4) \$1,000,000 of the general fund—state appropriations is provided solely to continue a demonstration project that enables classified public K-12 employees to become future teachers, subject to the following conditions and limitations:

(a) Within available funds, the board may renew and offer conditional scholarships of up to \$4,000 per year for full or part-time studies that may be forgiven in exchange for teaching service in Washington's public K-12 schools. In selecting loan recipients, the board shall take into account the applicant's demonstrated academic ability and commitment to serve as a teacher within the state of Washington.

(b) Loans shall be forgiven at the rate of one year of loan for two years of teaching service. Recipients who teach in geographic or subject-matter shortage areas, as specified by the office of the superintendent for public instruction, may have their loans forgiven at the rate of one year of loan for one year of teaching service;

(c) Recipients who fail to fulfill the required teaching service shall be required to repay the conditional loan with interest. The board shall define the terms for repayment, including applicable interest rates, fees and deferments, and may adopt other rules as necessary to implement this demonstration project.

(d) The board may deposit this appropriation and all collections into the student loan account authorized in RCW 28B.102.060.

(e) The board will provide the legislature and governor with findings about the impact of this demonstration project on persons entering the teaching profession in shortage areas by no later than January of 2002.

(5) \$75,000 of the general fund—state appropriation for fiscal year 2002 and \$75,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(6) \$25,000 of the general fund—state appropriation for fiscal year 2002 and \$25,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the benefit of students who participate in college assistance migrant programs (CAMP) operating in Washington state. To ensure timely state aid, the board may establish a date after which no additional grants would be available for the 2001-02 and 2002-03 academic years. The board shall disperse grants in equal amounts to eligible post-secondary institutions so that state money in all cases supplements federal CAMP awards.

(7) \$120,156,000 of the general fund—state appropriation for fiscal year 2002 and \$133,965,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for student financial aid, including all administrative costs. Of these amounts:

(a) \$90,566,000 of the general fund—state appropriation for fiscal year 2002 and \$102,667,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the state need grant program. After April 1 of each fiscal year, up to one percent of the annual appropriation for the state need grant program may be transferred to the state work study program;

(b) \$16,340,000 of the general fund—state appropriation for fiscal year 2002 and \$17,360,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the state work study program. After April 1 of each fiscal year, up to one percent of the annual appropriation for the state work study program may be transferred to the state need grant program;

(c) \$2,920,000 of the general fund—state appropriation for fiscal year 2002 and \$2,920,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for educational opportunity grants. The board may deposit sufficient funds from its appropriation into the state education trust fund as established in RCW 28B.10.821 to provide a one-year renewal of the grant for each new recipient of the educational opportunity grant award. For the purpose of establishing eligibility for the equal opportunity grant program for placebound students under RCW 28B.101.020, Thurston county lies within the branch campus service area of the Tacoma branch campus of the University of Washington;

(d) A maximum of 2.1 percent of the general fund—state appropriation for fiscal year 2002 and 2.1 percent of the general fund—state appropriation for fiscal year 2003 may be expended for financial aid administration, excluding the 4 percent state work study program administrative allowance provision;

(e) \$1,241,000 of the general fund—state appropriation for fiscal year 2002 and \$1,428,000 of the general fund—state appropriation for fiscal year 2003 are

provided solely to implement the Washington scholars program. Any Washington scholars program moneys not awarded by April 1st of each year may be transferred by the board to the Washington award for vocational excellence;

(f) \$588,000 of the general fund—state appropriation for fiscal year 2002 and \$589,000 of the general fund—state appropriation for fiscal year 2003 are provided solely to implement Washington award for vocational excellence program. Any Washington award for vocational program moneys not awarded by April 1st of each year may be transferred by the board to the Washington scholars program;

(g) \$251,000 of the general fund—state appropriation for fiscal year 2002 and \$251,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for community scholarship matching grants of \$2,000 each. Of the amounts provided, no more than \$5,200 each year is for the administration of the community scholarship matching grant program. To be eligible for the matching grant, a nonprofit community organization organized under section 501(c)(3) of the internal revenue code must demonstrate that it has raised \$2,000 in new moneys for college scholarships after the effective date of this act. An organization may receive more than one \$2,000 matching grant and preference shall be given to organizations affiliated with the citizens' scholarship foundation; and

(h) \$8,250,000 of the general fund—state appropriation for fiscal year 2002 and \$8,750,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the Washington promise scholarship program subject to the following conditions and limitations:

(i) Within available funds, the higher education coordinating board shall award scholarships for use at accredited institutions of higher education in the state of Washington to as many students as possible from among those qualifying under (iv) of this subsection. Each qualifying student will receive two consecutive annual installments, the value of each not to exceed the full-time annual resident tuition rates charged by community colleges.

(ii) Of the amounts provided, no more than \$260,000 each year is for administration of the Washington promise scholarship program.

(iii) Other than funds provided for program administration, the higher education coordinating board shall deposit all money received for the program in the Washington promise scholarship account, a nonappropriated fund in the custody of the state treasurer. The account shall be self-sustaining and consist of funds appropriated by the legislature for these scholarships, private contributions, and receipts from refunds of tuition and fees.

(iv) Scholarships in the 2001-03 biennium shall be awarded to students who graduate from high school or its equivalent whose family income does not exceed one hundred thirty-five percent of the state's median family income, adjusted for family size, if they meet any of the following academic criteria:

(A) Students graduating from public and approved private high schools under chapter 28A.195 RCW must be in the top fifteen percent of their graduating class,

or must equal or exceed a cumulative scholastic assessment test score of 1200 on their first attempt;

(B) Students participating in home-based instruction as provided in chapter 28A.200 RCW must equal or exceed a cumulative scholastic assessment test score of 1200 on their first attempt.

(v) For students eligible under (iv) of this subsection, the superintendent of public instruction shall provide the higher education coordinating board with the names, addresses, and unique numeric identifiers of students in the top fifteen percent or who meet the scholastic aptitude test score requirement, as appropriate in each of the respective high school senior or home based instruction classes in Washington state. This shall be provided no later than October 1 of each year.

(vi) Scholarships awarded under this section may only be used at accredited institutions of higher education in the state of Washington for college-related expenses, including but not limited to, tuition, room and board, books, materials, and transportation. The Washington promise scholarship award shall not supplant other scholarship awards, financial aid, or tax programs related to postsecondary education. Scholarships may not be transferred or refunded to students.

(vii) The higher education coordinating board shall evaluate the impact and effectiveness of the Washington promise scholarship program. The evaluation shall include, but not be limited to: (A) An analysis of other financial assistance promise scholarship recipients are receiving through other federal, state, and institutional programs, including grants, work study, tuition waivers, tax credits, and loan programs; (B) an analysis of whether the implementation of the promise scholarship program has had an impact on student indebtedness; and (C) an evaluation of what types of students are successfully completing high school but do not have the financial ability to attend college because they cannot obtain financial aid or the financial aid is insufficient. The board shall report its findings to the governor and the legislature by December 1, 2002.

(viii) The higher education coordinating board may adopt rules as necessary to implement this program.

NEW SECTION. Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD

General Fund—State Appropriation (FY 2002)	\$	1,762,000
General Fund—State Appropriation (FY 2003)	\$	1,720,000
General Fund—Federal Appropriation	\$	44,987,000
TOTAL APPROPRIATION	\$	48,469,000

The appropriations in this section are subject to the following conditions and limitations: \$500,000 of the general fund—state appropriation for fiscal year 2002 and \$500,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for the operations and development of the inland northwest technology education center (INTEC) as a regional resource and model for the rapid deployment of skilled workers trained in the latest technologies for Washington. The board shall serve as an advisor to and fiscal agent for INTEC,

and will report back to the governor and legislature by September 2002 as to the progress and future steps for INTEC as this new public-private partnership evolves.

NEW SECTION. Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE

General Fund—State Appropriation (FY 2002)	\$	1,500,000
General Fund—State Appropriation (FY 2003)	\$	1,500,000
TOTAL APPROPRIATION	\$	3,000,000

NEW SECTION. Sec. 614. FOR WASHINGTON STATE LIBRARY

General Fund—State Appropriation (FY 2002)	\$	8,791,000
General Fund—State Appropriation (FY 2003)	\$	8,786,000
General Fund—Federal Appropriation	\$	6,976,000
TOTAL APPROPRIATION	\$	24,553,000

The appropriations in this section are subject to the following conditions and limitations: At least \$2,700,000 shall be expended for a contract with the Seattle public library for library services for the Washington book and braille library.

NEW SECTION. Sec. 615. FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund—State Appropriation (FY 2002)	\$	2,873,000
General Fund—State Appropriation (FY 2003)	\$	2,874,000
General Fund—Federal Appropriation	\$	1,000,000
TOTAL APPROPRIATION	\$	6,747,000

NEW SECTION. Sec. 616. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2002)	\$	2,899,000
General Fund—State Appropriation (FY 2003)	\$	3,129,000
TOTAL APPROPRIATION	\$	6,028,000

The appropriations in this section are subject to the following conditions and limitations: \$90,000 of the general fund—state appropriation for fiscal year 2002 and \$285,000 of the general fund—state appropriation for fiscal year 2003 are provided solely for activities related to the Lewis and Clark Bicentennial.

NEW SECTION. Sec. 617. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2002)	\$	1,674,000
General Fund—State Appropriation (FY 2003)	\$	1,535,000
TOTAL APPROPRIATION	\$	3,209,000

NEW SECTION. Sec. 618. FOR THE STATE SCHOOL FOR THE BLIND

General Fund—State Appropriation (FY 2002)	\$	4,520,000
General Fund—State Appropriation (FY 2003)	\$	4,591,000
General Fund—Private/Local Appropriation	\$	1,173,000

TOTAL APPROPRIATION \$ 10,284,000

NEW SECTION. Sec. 619. FOR THE STATE SCHOOL FOR THE

DEAF

General Fund—State Appropriation (FY 2002)	\$	7,395,000
General Fund—State Appropriation (FY 2003)	\$	7,439,000
General Fund—Private/Local Appropriation	\$	232,000
TOTAL APPROPRIATION	\$	15,066,000

PART VII

SPECIAL APPROPRIATIONS

NEW SECTION. Sec. 701. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund—State Appropriation (FY 2002)	\$	629,097,000
General Fund—State Appropriation (FY 2003)	\$	567,290,000
State Building Construction Account—State Appropriation	\$	11,351,000
Debt-Limit Reimbursable Bond Retire Account— State Appropriation	\$	2,591,000
TOTAL APPROPRIATION	\$	1,210,329,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2002 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2002.

NEW SECTION. Sec. 702. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES

State Convention and Trade Center Account— State Appropriation	\$	39,950,000
Accident Account—State Appropriation	\$	5,590,000
Medical Aid Account—State Appropriation	\$	5,590,000
TOTAL APPROPRIATION	\$	51,130,000

NEW SECTION. Sec. 703. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund—State Appropriation (FY 2002)	\$	24,542,000
General Fund—State Appropriation (FY 2003)	\$	26,706,000

Capitol Historic District Construction		
Account—State Appropriation	\$	454,000
Higher Education Construction Account—State		
Appropriation	\$	815,000
State Higher Education Construction Account—		
State Appropriation	\$	348,000
State Vehicle Parking Account—State		
Appropriation	\$	35,000
Nondebt-Limit Reimbursable Bond Retirement Account—		
State Appropriation	\$	128,043,000
TOTAL APPROPRIATION	\$	180,943,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the nondebt-limit general fund bond retirement account.

NEW SECTION. Sec. 704. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund—State Appropriation (FY 2002)	\$	567,000
General Fund—State Appropriation (FY 2003)	\$	568,000
Higher Education Construction Account—State		
Appropriation	\$	77,000
State Higher Education Construction Account—		
State Appropriation	\$	42,000
State Building Construction Account—State		
Appropriation	\$	1,488,000
State Vehicle Parking Account—State		
Appropriation	\$	5,000
Capitol Historic District Construction		
Account—State Appropriation	\$	130,000
TOTAL APPROPRIATION	\$	2,877,000

NEW SECTION. Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EMERGENCY FUND

General Fund—State Appropriation (FY 2002)	\$	850,000
General Fund—State Appropriation (FY 2003)	\$	850,000
TOTAL APPROPRIATION	\$	1,700,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

NEW SECTION. Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY POOL. The sum of three million dollars, or so much thereof as may be available on June 30, 2001, from the total

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amount of unspent fiscal year 2001 fire contingency funding in the disaster response account and the moneys appropriated to the disaster response account in section 707 of this act, is appropriated for the purpose of making allocations to the military department for fire mobilizations costs or to the department of natural resources for fire suppression costs.

NEW SECTION. Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY INITIATIVE.

General Fund—State Appropriation (FY 2002) \$ 2,000,000

The appropriation in this section is subject to the following conditions and limitations: The entire amount is appropriated to the disaster response account for the purposes specified in section 706 of this act.

NEW SECTION. Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EXTRAORDINARY CRIMINAL JUSTICE COSTS

Public Safety and Education—State

Appropriation \$ 975,000

The appropriation in this section is subject to the following conditions and limitations: The director of financial management shall distribute the appropriation to the following counties in the amounts designated for extraordinary criminal justice costs:

Cowlitz	\$	89,000
Franklin	\$	303,000
Klickitat	\$	45,000
Skagit	\$	102,000
Spokane	\$	192,000
Thurston	\$	122,000
Yakima	\$	121,000
TOTAL	\$	975,000

NEW SECTION. Sec. 709. BELATED CLAIMS. The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

***NEW SECTION. Sec. 710. FOR THE DEPARTMENT OF NATURAL RESOURCES—DISTRIBUTION OF EXCESS FUNDS FROM THE FOREST DEVELOPMENT ACCOUNT**

Forest Development Account—State

Appropriation \$ 5,000,000

The appropriation in this section is provided solely for distribution of state forest land revenues to taxing authorities that received such revenue from fiscal year 1996 through fiscal year 2000.

(1) Within fifteen days of the effective date of this section, the department shall transmit funds in the amounts specified in subsection (3) of this section to the county treasurers of the counties receiving the funds.

(2) The county treasurers of the counties listed in this section shall distribute funds received from this appropriation to taxing authorities in proportion to the state forest board land funds distributed to the taxing authorities based on information available for the fiscal years 1996 through 2000. Funds to be credited to the state of Washington and funds credited to school district general levies shall be remitted to the state of Washington within thirty days after the effective date of this section for deposit into the general fund—state account.

(3) Funds shall be distributed in the following amounts:

<i>Clallam</i>	\$	<i>744,095</i>
<i>Clark</i>	\$	<i>255,258</i>
<i>Cowlitz</i>	\$	<i>169,595</i>
<i>Grays Harbor</i>	\$	<i>155,473</i>
<i>Jefferson</i>	\$	<i>106,406</i>
<i>King</i>	\$	<i>106,217</i>
<i>Kitsap</i>	\$	<i>63,651</i>
<i>Klickitat</i>	\$	<i>37,364</i>
<i>Lewis</i>	\$	<i>766,556</i>
<i>Mason</i>	\$	<i>111,119</i>
<i>Pacific</i>	\$	<i>177,158</i>
<i>Pierce</i>	\$	<i>50,465</i>
<i>Skagit</i>	\$	<i>580,536</i>
<i>Skamania</i>	\$	<i>106,717</i>
<i>Snohomish</i>	\$	<i>631,797</i>
<i>Stevens</i>	\$	<i>1,897</i>
<i>Thurston</i>	\$	<i>425,197</i>
<i>Wahkiakum</i>	\$	<i>146,173</i>
<i>Whatcom</i>	\$	<i>364,326</i>
TOTAL	\$	<u>5,000,000</u>

*Sec. 710 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 711. FOR THE OFFICE OF FINANCIAL MANAGEMENT—DIGITAL GOVERNMENT POOL

Digital Government Revolving Account

Appropriation	\$	5,000,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) The digital government revolving account appropriation is provided solely to provide digital services of government to citizens, businesses, and to state and other governments. The office of financial management, in consultation with the department of information services, shall allocate these funds as needed for digital government projects.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the digital government revolving account, hereby created in the state

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treasury, in accordance with schedules provided by the office of financial management for digital government projects.

(3) Agencies receiving these allocations shall report at a minimum to the information services board and to the office of financial management on the progress of digital government projects and efforts.

NEW SECTION. Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT—TECHNOLOGY POOL

Digital Government Revolving Account

Appropriation \$ 7,518,456

The appropriation in this section is subject to the following conditions and limitations:

(1) The digital government revolving account appropriation is provided solely for an information technology funding pool for state executive branch agencies, excluding schools and institutions of higher education. The department may distribute funding from the pool for information technology purposes, including infrastructure improvements, technology required to satisfy federal reporting requirements, equipment purchase and replacement, web site and internet services, and software and systems upgrades. Projects may include information technology projects that were requested in agency budget requests but that are not specifically funded in agency appropriations (for example technology improvements in the department of community, trade, and economic development, data warehouse in the department of revenue, and system security and infrastructure in small agencies).

(2) Agencies that wish to receive these funds may make an application to the office of financial management. The office of financial management, in consultation with the department of information services and using criteria adopted by the information services board, shall allocate these funds as needed for digital government projects. The office of financial management shall not distribute funding for a specific project unless it is determined that there will be no net increase in ongoing operating costs resulting from the project.

(3) Allocations from this section may be made only for items and in proportion to the extent to which items would be typically funded by the state general fund.

NEW SECTION. Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT—DIGITAL GOVERNMENT REVOLVING ACCOUNT

General Fund—State Appropriation (FY 2002) \$ 2,050,000
General Fund—State Appropriation (FY 2003) \$ 2,050,000
TOTAL APPROPRIATION \$ 4,100,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for deposit in the digital government revolving account.

NEW SECTION. Sec. 714. DEATH BENEFIT—COMMON SCHOOLS.

For the period from July 1, 2001, through June 30, 2003, a one hundred fifty thousand dollar death benefit shall be paid as a sundry claim to the estate of an employee in the common school system of the state who is killed in the course of employment. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the director of the department of general administration by order under RCW 51.52.050.

NEW SECTION. Sec. 715. DEATH BENEFIT—STATE AGENCIES.

For the period from July 1, 2001, through June 30, 2003, a one hundred fifty thousand dollar death benefit shall be paid as a sundry claim to the estate of an employee of any state agency or higher education institution not otherwise provided a death benefit through coverage under their enrolled retirement system. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the director of the department of general administration by order under RCW 51.52.050.

**NEW SECTION. Sec. 716. FOR THE GOVERNOR—
COMPENSATION—INSURANCE BENEFITS**

General Fund—State Appropriation (FY 2002)	\$	7,218,000
General Fund—State Appropriation (FY 2003)	\$	19,947,000
General Fund—Federal Appropriation	\$	8,692,000
General Fund—Private/Local Appropriation	\$	456,000
Salary and Insurance Increase Revolving Account		
Appropriation	\$	19,468,000
TOTAL APPROPRIATION	\$	55,781,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$457.29 per eligible employee for fiscal year 2002, and \$497.69 for fiscal year 2003.

(b) Within the rates in (a) of this subsection, \$2.02 per eligible employee shall be included in the employer funding rate for fiscal year 2002, and \$4.10 per eligible employee shall be included in the employer funding rate for fiscal year 2003, solely to increase life insurance coverage in accordance with a court approved settlement in *Burbage et al. v. State of Washington* (Thurston county superior court cause no. 94-2-02560-8).

(c) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(d) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special fund salary and insurance contribution increase revolving fund in accordance with schedules provided by the office of financial management.

(3) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for parts A and B of medicare, pursuant to RCW 41.05.085. From January 1, 2002, through December 31, 2002, the subsidy shall be \$85.84. Starting January 1, 2003, the subsidy shall be \$102.55 per month.

(4) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$32.41 per month beginning September 1, 2001, and \$37.48 beginning September 1, 2002;

(b) For each part-time employee who, at the time of the remittance, is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$32.41 each month beginning September 1, 2001, and \$37.48 beginning September 1, 2002, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives.

The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

(5) The salary and insurance increase revolving account appropriation includes amounts sufficient to fund health benefits for ferry workers at the premium levels specified in subsection (1) of this section, consistent with the 2001-2003 transportation appropriations act.

NEW SECTION. Sec. 717. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—CONTRIBUTIONS TO RETIREMENT SYSTEMS. The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2001, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

General Fund—State Appropriation (FY 2002)	\$	15,552,000
General Fund—State Appropriation (FY 2003)	\$	16,668,000

The appropriations in this subsection are subject to the following conditions and limitations: The appropriations include reductions to reflect savings resulting from the implementation of state pension contribution rates effective July 1, 2001, as provided in Senate Bill No. 6167 or House Bill No. 2236.

(2) There is appropriated for contributions to the judicial retirement system:

General Fund—State Appropriation (FY 2002)	\$	6,000,000
General Fund—State Appropriation (FY 2003)	\$	6,000,000

(3) There is appropriated for contributions to the judges retirement system:

General Fund—State Appropriation (FY 2002)	\$	250,000
General Fund—State Appropriation (FY 2003)	\$	250,000
TOTAL APPROPRIATION	\$	44,720,000

NEW SECTION. Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT—CONTRIBUTIONS TO RETIREMENT SYSTEMS

General Fund—State Appropriation (FY 2002)	\$	(17,246,000)
General Fund—State Appropriation (FY 2003)	\$	(17,499,000)
General Fund—Federal Appropriation	\$	(11,469,000)
General Fund—Private/Local Appropriation	\$	(683,000)
Special Account Retirement Contribution Increase		
Revolving Account Appropriation	\$	(25,895,000)
TOTAL APPROPRIATION	\$	(72,792,000)

The appropriations in this section are provided solely to reduce agency and higher education institutions appropriations to reflect savings resulting from the implementation of employer pension contribution rates, effective July 1, 2001, for the public employees' retirement system, and effective September 1, 2001, for the teachers' retirement system, as provided in Senate Bill No. 6167 or House Bill No. 2236.

NEW SECTION. Sec. 719. SALARY COST OF LIVING ADJUSTMENT

General Fund—State Appropriation (FY 2002)	\$	41,712,000
General Fund—State Appropriation (FY 2003)	\$	73,358,000
General Fund—Federal Appropriation	\$	37,955,000
General Fund—Private/Local Appropriation	\$	2,325,000
Salary and Insurance Increase Revolving Account		
Appropriation	\$	92,156,000
TOTAL APPROPRIATION	\$	247,506,000

The appropriations in this section shall be expended solely for the purposes designated in this section and are subject to the following conditions and limitations:

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(1) In addition to the purposes set forth in subsections (2) and (3) of this section, appropriations in this section are provided solely for a 3.7 percent salary increase effective July 1, 2001, for all classified employees, except the certificated employees of the state schools for the deaf and blind, and including those employees in the Washington management service, and exempt employees under the jurisdiction of the personnel resources board. Funds are also provided for salary increases for classified employees on July 1, 2002, in a percentage amount to be determined by the 2002 legislature.

(2) The appropriations in this section are sufficient to fund a 3.7 percent salary increase effective July 1, 2001, for general government, legislative, and judicial employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials. Funds are also provided for salary increases for these employees on July 1, 2002, in a percentage amount to be determined by the 2002 legislature.

(3) The salary and insurance increase revolving account appropriation in this section includes funds sufficient to fund a 3.7 percent salary increase effective July 1, 2001, for ferry workers consistent with the 2001-03 transportation appropriations act. Funds are also provided for salary increases for ferry workers on July 1, 2002, in a percentage amount to be determined by the 2002 legislature.

(4)(a) No salary increase may be paid under this section to any person whose salary has been Y-rated pursuant to rules adopted by the personnel resources board.

(b) The average salary increases paid under this section to agency officials whose maximum salaries are established by the committee on agency official salaries shall not exceed the average increases provided by subsection (2) of this section.

NEW SECTION. Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EDUCATION TECHNOLOGY REVOLVING ACCOUNT

General Fund—State Appropriation (FY 2002)	\$	11,264,000
General Fund—State Appropriation (FY 2003)	\$	11,264,000
TOTAL APPROPRIATION	\$	22,528,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are for appropriation to the education technology revolving account for the purpose of covering operational and transport costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

(2) Use of these moneys to connect public libraries are limited to public libraries which have in place a policy of internet safety applied to publicly available computers with internet access via the K-20 educational network that protects against access to visual depictions that are (a) obscene under chapter 9.68 RCW; or (b) sexual exploitation of children under chapter 9.68A RCW.

**NEW SECTION. Sec. 721. FOR THE ATTORNEY GENERAL—
SALARY ADJUSTMENTS**

General Fund—State Appropriation (FY 2002)	\$	989,000
General Fund—State Appropriation (FY 2003)	\$	2,082,000
Legal Services Revolving Account—State		
Appropriation	\$	3,071,000
TOTAL APPROPRIATION	\$	6,142,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for increases in salaries and related benefits of assistant attorneys general effective July 1, 2001, and another increase effective July 1, 2002. This funding is provided solely for: (1) Increases in beginning salaries; (2) merit-based increases to recognize outstanding performance; and (3) increases to address critical recruitment and retention problems in specialty practice areas.

**NEW SECTION. Sec. 722. FOR THE OFFICE OF FINANCIAL
MANAGEMENT—COMPENSATION ACTIONS OF PERSONNEL
RESOURCES BOARD**

General Fund—State Appropriation (FY 2002)	\$	9,179,000
General Fund—State Appropriation (FY 2003)	\$	18,359,000
General Fund—Federal Appropriation	\$	10,392,000
Salary and Insurance Increase Revolving Account		
Appropriation	\$	2,735,000
TOTAL APPROPRIATION	\$	40,665,000

The appropriations in this section shall be expended solely for the purposes designated in this section and are subject to the following conditions and limitations: Funding is provided to implement the salary increase recommendations of the Washington personnel resources board for the priority classes identified through item 8B pursuant to RCW 41.06.152. The salary increases shall be effective January 1, 2002.

NEW SECTION. Sec. 723. INCENTIVE SAVINGS—FY 2002. The sum of one hundred million dollars or so much thereof as may be available on June 30, 2002, from the total amount of unspent fiscal year 2002 state general fund appropriations is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

(3) For purposes of this section, the total amount of unspent state general fund appropriations does not include the appropriations made in this section or any amounts included in across-the-board allotment reductions under RCW 43.88.110.

NEW SECTION. Sec. 724. INCENTIVE SAVINGS—FY 2003. The sum of one hundred million dollars or so much thereof as may be available on June 30, 2003, from the total amount of unspent fiscal year 2003 state general fund appropriations is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

(3) For purposes of this section, the total amount of unspent state general fund appropriations does not include the appropriations made in this section or any amounts included in across-the-board allotment reductions under RCW 43.88.110.

NEW SECTION. Sec. 725. PUGET SOUND FERRY OPERATIONS ACCOUNT

State Surplus Assets Reserve Fund—State

Appropriation \$ 30,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriations in this section are for appropriation to the Puget Sound ferry operations account to carry out the purposes of the account.

NEW SECTION. Sec. 726. LOCAL GOVERNMENT FINANCIAL ASSISTANCE

(1) It is the intent of the legislature to provide state funding for the 2001-03 biennium for a portion of local governments' costs for public safety, criminal justice, public health, and other operations.

(2) Moneys appropriated in sections 727, 728, and 729 of this act constitute a transfer to the state of local government costs under RCW 43.135.060(2).

NEW SECTION. Sec. 727. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT—COUNTY CORPORATION ASSISTANCE

General Fund—State Appropriation (FY 2002) \$ 24,410,534
General Fund—State Appropriation (FY 2003) \$ 25,137,970
TOTAL APPROPRIATION \$ 49,548,504

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) The department shall withhold distributions under subsection (2) of this section to any county that has not paid its fifty percent share of the employer

contribution on behalf of superior court judges for insurance and health care plans and federal social security and medicare and medical aid benefits for the fiscal year. As required by Article IV, section 13 of the state Constitution and 1996 Attorney General's Opinion No. 2, it is the intent of the legislature that the costs of these employer contributions shall be shared equally between the state and county or counties in which the judges serve.

(b) After receiving written notification from the office of the administrator for the courts that a county has paid its fifty percent share as required under (a) of this subsection, the department shall distribute the amount designated for the fiscal year under subsection (2) of this section.

(2) The director of community, trade, and economic development shall distribute the appropriations to the following counties in the amounts designated:

County	FY 2002	FY 2003	2001-03 Biennium
Adams	290,303	295,993	586,296
Asotin	422,074	434,598	856,672
Benton	966,480	999,163	1,965,643
Chelan	637,688	651,982	1,289,670
Ciallam	444,419	454,391	898,810
Clark	641,571	678,997	1,320,568
Columbia	561,888	572,901	1,134,789
Cowlitz	771,879	795,808	1,567,687
Douglas	505,585	528,184	1,033,769
Ferry	389,909	397,551	787,460
Franklin	442,624	464,018	906,642
Garfield	571,303	582,501	1,153,804
Grant	579,631	604,072	1,183,703
Grays Harbor	540,315	550,905	1,091,220
Island	483,589	503,205	986,794
Jefferson	239,914	249,924	489,838
King	2,661,862	2,720,716	5,382,578
Kitsap	469,992	480,178	950,170
Kittitas	366,971	383,027	749,998
Klickitat	204,726	217,555	422,281
Lewis	583,702	598,004	1,181,706
Lincoln	290,754	302,151	592,905
Mason	905,060	930,959	1,836,019
Okanogan	548,848	560,332	1,109,180
Pacific	344,047	350,790	694,837
Pend Oreille	280,342	285,837	566,179
Pierce	1,246,530	1,284,087	2,530,617
San Juan	85,712	91,859	177,571
Skagit	911,491	944,914	1,856,405
Skamania	172,840	176,228	349,068
Snohomish	1,017,209	1,058,571	2,075,780
Spokane	804,124	823,359	1,627,483
Stevens	811,482	835,598	1,647,080
Thurston	1,031,888	1,061,579	2,093,467
Wahkiakum	507,528	517,476	1,025,004
Walla Walla	241,341	247,105	488,446

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Whitcom	408,025	429,069	837,094
Whitman	134,870	138,191	273,061
Yakima	1,892,018	1,936,192	3,828,210
TOTAL APPROPRIATIONS	24,410,534	25,137,970	49,548,504

NEW SECTION. Sec. 728. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT—MUNICIPAL CORPORATION ASSISTANCE

General Fund—State Appropriation (FY 2002)	\$	45,884,610
General Fund—State Appropriation (FY 2003)	\$	47,251,839
TOTAL APPROPRIATION	\$	93,136,449

The appropriations in this section are subject to the following conditions and limitations:

(1) The director of community, trade, and economic development shall distribute the appropriation to the following cities and municipalities in the amounts designated:

City	FY 2002	FY 2003	2001-03 Biennium
Aberdeen	119,986	123,562	243,548
Airway Heights	111,259	114,575	225,834
Albion	66,339	68,316	134,655
Algona	32,672	33,646	66,318
Almira	12,519	12,892	25,411
Anacortes	70,930	73,044	143,974
Arlington	42,344	43,606	85,950
Asotin	57,623	59,340	116,963
Auburn	192,405	198,139	390,544
Bainbridge Island	293,851	302,608	596,459
Battle Ground	118,303	121,828	240,131
Beaux Arts	1,784	1,837	3,621
Bellevue	524,203	539,824	1,064,027
Bellingham	369,121	380,121	749,242
Benton City	111,380	114,699	226,079
Bingen	6,602	6,799	13,401
Black Diamond	254,698	262,288	516,986
Blaine	20,853	21,474	42,327
Bonney Lake	158,738	163,468	322,206
Bothell	137,270	141,361	278,631
Bremerton	214,020	220,398	434,418
Brewster	11,250	11,585	22,835
Bridgeport	188,216	193,825	382,041
Brier	532,011	547,865	1,079,876
Buckley	68,227	70,260	138,487
Bucoda	52,876	54,452	107,328
Burien	284,265	292,736	577,001
Burlington	27,407	28,224	55,631
Camas	53,654	55,253	108,907
Carbonado	56,785	58,477	115,262
Carnation	9,593	9,879	19,472
Cashmere	120,801	124,401	245,202
Castle Rock	29,980	30,873	60,853

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Cathlamet	6,265	6,452	12,717
Centralia	101,426	104,448	205,874
Chehalis	34,601	35,632	70,233
Chelan	19,515	20,097	39,612
Cheney	314,316	323,683	637,999
Chewelah	66,731	68,720	135,451
Clarkston	83,910	86,411	170,321
Cle Elum	8,692	8,951	17,643
Clyde Hill	136,778	140,854	277,632
Colfax	74,672	76,897	151,569
College Place	526,480	542,169	1,068,649
Colton	27,473	28,292	55,765
Colville	23,389	24,086	47,475
Conconully	13,675	14,083	27,758
Concrete	27,006	27,811	54,817
Connell	164,950	169,866	334,816
Cosmopolis	15,395	15,854	31,249
Coulee City	2,804	2,888	5,692
Coulee Dam	61,408	63,238	124,646
Coupeville	7,708	7,938	15,646
Covington	690,851	711,438	1,402,289
Creston	12,905	13,290	26,195
Cusick	9,341	9,619	18,960
Darrington	59,838	61,621	121,459
Davenport	66,350	68,327	134,677
Dayton	92,685	95,447	188,132
Deer Park	16,059	16,538	32,597
Des Moines	1,482,120	1,526,287	3,008,407
Dupont	8,109	8,351	16,460
Duvall	66,128	68,099	134,227
East Wenatchee	30,678	31,592	62,270
Eatonville	8,848	9,112	17,960
Edgewood	901,766	928,639	1,830,405
Edmonds	456,336	469,935	926,271
Electric City	87,243	89,843	177,086
Ellensburg	81,982	84,425	166,407
Elma	84,676	87,199	171,875
Elmer City	29,811	30,699	60,510
Endicott	28,758	29,615	58,373
Entiat	58,244	59,980	118,224
Enumclaw	53,013	54,593	107,606
Ephrata	59,987	61,775	121,762
Everett	495,428	510,192	1,005,620
Everson	67,517	69,529	137,046
Fairfield	18,540	19,092	37,632
Farmington	12,072	12,432	24,504
Federal Way	470,179	484,190	954,369
Ferndale	74,669	76,894	151,563
Fife	25,411	26,168	51,579
Fircrest	386,146	397,653	783,799
Forks	110,712	114,011	224,723
Friday Harbor	9,791	10,083	19,874
Garfield	45,263	46,612	91,875

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George	19,319	19,895	39,214
Gig Harbor	31,615	32,557	64,172
Gold Bar	134,531	138,540	273,071
Goldendale	49,519	50,995	100,514
Grand Coulee	5,805	5,978	11,783
Grandview	256,347	263,986	520,333
Granger	173,094	178,252	351,346
Granite Falls	10,946	11,272	22,218
Hamilton	17,437	17,957	35,394
Harrish	46,947	48,346	95,293
Harrington	18,107	18,647	36,754
Hartline	11,392	11,731	23,123
Hatton	12,176	12,539	24,715
Hoquiam	374,903	386,075	760,978
Hunts Point	2,432	2,504	4,936
Ilwaco	13,150	13,542	26,692
Index	4,181	4,306	8,487
Ione	17,566	18,089	35,655
Isaquah	50,002	51,492	101,494
Kahlotus	20,210	20,812	41,022
Kalama	7,892	8,127	16,019
Kelso	68,904	70,957	139,861
Kenmore	1,099,395	1,132,157	2,231,552
Kennewick	293,534	302,281	595,815
Kent	360,624	371,371	731,995
Kettle Falls	64,422	66,342	130,764
Kirkland	221,429	228,028	449,457
Kittitas	72,698	74,864	147,562
Krupp	4,445	4,577	9,022
La Center	34,415	35,441	69,856
La Conner	3,817	3,931	7,748
La Crosse	20,141	20,741	40,882
Lacey	143,243	147,512	290,755
Lake Forest Park	897,932	924,690	1,822,622
Lake Stevens	142,295	146,535	288,830
Lakewood	2,955,109	3,043,171	5,998,280
Lamont	7,492	7,715	15,207
Langley	5,303	5,461	10,764
Latah	11,962	12,318	24,280
Leavenworth	12,189	12,552	24,741
Lind	2,217	2,283	4,500
Long Beach	10,269	10,575	20,844
Longview	249,836	257,281	507,117
Lyman	16,741	17,240	33,981
Lynden	42,717	43,990	86,707
Lynnwood	163,579	168,454	332,033
Mabton	142,491	146,737	289,228
Malden	21,588	22,231	43,819
Mansfield	26,744	27,541	54,285
Maple Valley	359,478	370,190	729,668
Marcus	14,126	14,547	28,673
Marysville	102,028	105,068	207,096
Mattawa	100,064	103,046	203,110

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McCleary	105,807	108,960	214,767
Medical Lake	114,323	117,730	232,053
Medina	14,355	14,783	29,138
Mercer Island	383,527	394,956	778,483
Mesa	16,835	17,337	34,172
Metaline	14,150	14,572	28,722
Metaline Falls	7,718	7,948	15,666
Mill Creek	174,495	179,695	354,190
Millwood	22,619	23,293	45,912
Milton	28,030	28,865	56,895
Monroe	56,517	58,201	114,718
Montesano	60,229	62,024	122,253
Murton	5,891	6,067	11,958
Moses Lake	105,670	108,819	214,489
Mossyrock	16,545	17,038	33,583
Mount Vernon	130,780	134,677	265,457
Mountlake Terrace	711,188	732,381	1,443,569
Muxee	40,448	41,653	82,101
Mukilteo	274,482	282,662	557,144
Naches	7,632	7,859	15,491
Napavine	96,030	98,892	194,922
Nespelem	17,614	18,139	35,753
Newcastle	290,801	299,467	590,268
Newport	13,223	13,617	26,840
Nooksack	58,178	59,912	118,090
Normandy Park	489,113	503,689	992,802
North Bend	20,754	21,372	42,126
North Bonneville	30,574	31,485	62,059
Northport	23,489	24,189	47,678
Oak Harbor	278,157	286,446	564,603
Oakesdale	31,060	31,986	63,046
Oakville	43,411	44,705	88,116
Ocean Shores	64,837	66,769	131,606
Odessa	4,721	4,862	9,583
Okanogan	12,323	12,690	25,013
Olympia	198,476	204,391	402,867
Omak	26,117	26,895	53,012
Oroville	12,506	12,879	25,385
Orting	191,211	196,909	388,120
Othello	26,808	27,607	54,415
Pacific	69,124	71,184	140,308
Palouse	55,067	56,708	111,775
Pasco	131,298	135,211	266,509
Pateros	28,021	28,856	56,877
Pe Ell	54,800	56,433	111,233
Pomeroy	52,485	54,049	106,534
Port Angeles	124,595	128,308	252,903
Port Orchard	41,797	43,043	84,840
Port Townsend	47,126	48,530	95,656
Poulsbo	31,812	32,760	64,572
Prescott	12,349	12,717	25,066
Prosser	24,137	24,856	48,993
Pullman	584,659	602,082	1,186,741

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Puyallup	151,732	156,254	307,986
Quincy	20,244	20,847	41,091
Rainier	111,521	114,844	226,365
Raymond	85,311	87,853	173,164
Reardan	38,184	39,322	77,506
Redmond	215,259	221,674	436,933
Renon	235,053	242,058	477,111
Republic	25,085	25,833	50,918
Richland	441,733	454,897	896,630
Ridgefield	55,637	57,295	112,932
Ritzville	8,498	8,751	17,249
Riverside	27,204	28,015	55,219
Rock Island	36,527	37,616	74,143
Rockford	18,965	19,530	38,495
Rosalia	36,719	37,813	74,532
Roslyn	64,571	66,495	131,066
Roy	1,709	1,760	3,469
Royal City	66,657	68,643	135,300
Ruston	50,309	51,808	102,117
Sammamish	2,361,433	2,431,804	4,793,237
Seatac	132,183	136,122	268,305
Seattle	3,189,346	3,284,389	6,473,735
Sevtn-Wonley	54,896	56,532	111,428
Selah	80,704	83,109	163,813
Sequim	21,867	22,519	44,386
Shelton	58,160	59,893	118,053
Shoreline	1,485,138	1,529,395	3,014,533
Skykomish	1,417	1,459	2,876
Snohomish	40,722	41,936	82,658
Snoqualmie	9,587	9,873	19,460
Soap Lake	102,783	105,846	208,629
South Bend	75,826	78,086	153,912
South Cle Elum	46,847	48,243	95,090
South Prairie	18,788	19,348	38,136
Spangle	1,397	1,439	2,836
Spokane	1,116,419	1,149,688	2,266,107
Sprague	22,930	23,613	46,543
Springdale	11,080	11,410	22,490
St. John	4,245	4,372	8,617
Stanwood	21,141	21,771	42,912
Starbuck	8,949	9,216	18,165
Steilacoom	285,807	294,324	580,131
Stevenson	11,673	12,021	23,694
Sultan	63,199	65,082	128,281
Sumas	7,885	8,120	16,005
Sumner	41,931	43,181	85,112
Sunnyside	70,805	72,915	143,720
Tacoma	1,384,646	1,425,908	2,810,554
Tekoa	49,373	50,844	100,217
Tenino	68,820	70,871	139,691
Tieton	74,506	76,726	151,232
Toledo	8,084	8,325	16,409
Tonasket	5,500	5,664	11,164

Toppenish	443,488	456,704	900,192
Tukwila	75,320	77,565	152,885
Tumwater	61,848	63,691	125,539
Twisp	4,793	4,936	9,729
Union Gap	27,129	27,937	55,066
Uniontown	19,805	20,395	40,200
University Place	1,889,912	1,946,231	3,836,143
Vader	40,643	41,854	82,497
Vancouver	1,177,584	1,212,676	2,390,260
Waitsburg	81,097	83,514	164,611
Walla Walla	318,679	328,176	646,855
Wapato	230,783	237,660	468,443
Warden	105,612	108,759	214,371
Washougal	177,022	182,297	359,319
Washucna	20,654	21,269	41,923
Waterville	72,880	75,052	147,932
Waverly	10,256	10,562	20,818
Wenatchee	147,602	152,001	299,603
West Richland	489,752	504,347	994,099
Westport	13,715	14,124	27,839
White Salmon	53,746	55,348	109,094
Wilbur	23,614	24,318	47,932
Wilkeson	18,762	19,321	38,083
Wilson Creek	18,403	18,951	37,354
Winlock	35,212	36,261	71,473
Winthrop	1,756	1,808	3,564
Woodinville	56,052	57,722	113,774
Woodland	17,960	18,495	36,455
Woodway	12,513	12,886	25,399
Yacolt	36,636	37,728	74,364
Yakima	487,766	502,301	990,067
Yarrow Point	32,121	33,078	65,199
Yelm	15,677	16,144	31,821
Zillah	100,818	103,822	204,640
TOTAL APPROPRIATIONS	45,545,942	46,903,217	92,449,159

(2) \$338,668 for fiscal year 2002 and \$348,622 for fiscal year 2003 from this appropriation are provided solely to address the contingencies listed in this subsection. The department shall distribute the moneys no later than March 31, 2002, and March 31, 2003, for the respective appropriations. Moneys shall be distributed for the following purposes, ranked in order of priority:

(a) To correct for data errors in the determination of distributions in subsection (1) of this section;

(b) To distribute to newly qualifying jurisdictions as if the jurisdiction had been in existence prior to November 1999;

(c) To allocate under emergency situations as determined by the director of the department of community, trade, and economic development in consultation with the association of Washington cities; and

(d) After April 1st of each year in the fiscal biennium ending June 30, 2003, any moneys remaining from the amounts provided in this subsection shall be prorated and distributed to cities and towns on the basis of the amounts distributed

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for emergency considerations in November 2000 as provided in section 729, chapter 1, Laws of 2000, 2nd sp. sess.

NEW SECTION. Sec. 729. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT—COUNTY PUBLIC HEALTH ASSISTANCE

Health Services Account—State Appropriation \$ 48,270,802

The appropriation in this section is subject to the following conditions and limitations: The director of the department of community, trade, and economic development shall distribute the appropriations to the following counties and health districts in the amounts designated:

Health District	FY 2002	FY 2003	2001-03 Biennium
Adams County Health District	30,824	31,428	62,252
Asotin County Health District	65,375	70,818	136,193
Benton-Franklin Health District	1,147,987	1,196,390	2,344,377
Chelan-Douglas Health District	176,979	194,628	371,607
Clallam County Health and Human Services Department	140,557	144,547	285,104
Southwest Washington Health District	1,067,962	1,113,221	2,181,183
Columbia County Health District	40,362	41,153	81,515
Cowlitz County Health Department	273,147	287,116	560,263
Garfield County Health District	14,966	15,259	30,225
Grant County Health District	111,767	126,762	238,529
Grays Harbor Health Department	183,333	186,702	369,815
Island County Health Department	86,600	98,221	184,821
Jefferson County Health and Human Services	82,856	89,676	172,532
Seattle-King County Department of Public Health	9,489,273	9,681,772	19,171,045
Bremerton-Kitsap County Health District	551,913	563,683	1,115,596
Kititas County Health Department	87,822	98,219	186,041
Klickitat County Health Department	57,872	67,636	125,508
Lewis County Health Department	103,978	108,817	212,795
Lincoln County Health Department	26,821	32,924	59,745
Mason County Department of Health Services	91,638	101,422	193,060
Okanogan County Health District	62,844	64,788	127,632
Pacific County Health Department	77,108	78,619	155,727
Tacoma-Pierce County Health Department	2,802,613	2,870,392	5,673,005
San Juan County Health and Community Services	35,211	40,274	75,485
Skagit County Health Department	215,464	234,917	450,381
Snohomish Health District	2,238,523	2,303,371	4,541,894
Spokane County Health District	2,091,092	2,135,477	4,226,569
Northeast Tri-County Health District	106,019	116,135	222,154
Thurston County Health Department	593,358	614,255	1,207,613
Wahkiakum County Health Department	13,715	13,984	27,699
Walla Walla County-City Health Department	170,852	175,213	346,065
Whatcom County Health Department	846,015	875,369	1,721,384
Whitman County Health Department	78,081	80,274	158,355
Yakima Health District	617,792	636,841	1,254,633
TOTAL APPROPRIATIONS	\$23,780,499	\$24,490,303	\$48,270,802

NEW SECTION. Sec. 730. FOR THE LIABILITY ACCOUNT

General Fund—State Appropriation (FY 2003) \$ 6,392,000

State Surplus Assets Reserve Fund—State

Appropriation	\$	25,000,000
TOTAL APPROPRIATION	\$	31,392,000

The appropriations in this section are provided solely for deposit in the liability account.

Sec. 731. 2000 2nd sp.s. c 1 s 603 (uncodified) is amended to read as follows:

FOR UNIVERSITY OF WASHINGTON

General Fund—State Appropriation (FY 2000)	\$	316,379,000
General Fund—State Appropriation (FY 2001)	\$	335,568,000
Death Investigations Account—State		
Appropriation	\$	111,000
Accident Account—State Appropriation	\$	5,777,000
Medical Aid Account—State Appropriation	\$	5,818,000
TOTAL APPROPRIATION	\$	663,653,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$8,617,000 of the general fund—state appropriation for fiscal year 2000 and \$10,528,000 of the general fund—state appropriation for fiscal year 2001 are provided for upper division and graduate courses and other educational services offered at the Bothell branch campus. Of these amounts: The office of financial management shall hold and release funds to the university at the rate of \$9,636 per enrolled state FTE student at the Bothell branch campus in excess of fiscal year 2000 actual annualized enrollment as determined in the budget driver tracking report prepared by the office of financial management. Moneys not earned by the university for enrolling additional state students during the 2000-2001 academic year (~~shall lapse to the education savings account at the close of the biennium~~) are appropriated to the University of Washington building account.

(2) \$9,934,000 of the general fund—state appropriation for fiscal year 2000 and \$11,226,000 of the general fund—state appropriation for fiscal year 2001 are provided for upper division and graduate courses and other educational services offered at the Tacoma branch campus. Of these amounts: The office of financial management shall hold and release funds to the university at the rate of \$8,520 per enrolled state FTE student at the Tacoma branch campus in excess of fiscal year 2000 actual annualized enrollment as determined in the budget driver tracking report prepared by the office of financial management. Moneys not earned by the university for enrolling additional state students during the 2000-2001 academic year (~~shall lapse to the education savings account at the close of the biennium~~) are appropriated to the University of Washington building account.

(3) \$2,312,000 of the general fund—state appropriation for fiscal year 2000 and \$2,312,000 of the general fund—state appropriation for fiscal year 2001 are provided solely for competitively offered recruitment and retention salary adjustments for instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research

assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Tuition revenues may be expended in addition to those required by this section to further provide recruitment and retention salary adjustments. The university shall provide a report in their 2001-03 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this section.

(4) \$1,975,000 of the general fund—state appropriation for fiscal year 2000 and \$1,975,000 of the general fund—state appropriation for fiscal year 2001 are provided solely to extend the next-generation internet hub and related expertise.

(5) \$90,000 of the death investigations account appropriation is provided solely for the forensic pathologist fellowship program.

(6) \$136,000 of the general fund—state appropriation for fiscal year 2000 and \$137,000 of the general fund—state appropriation for fiscal year 2001 are provided solely for the implementation of the Puget Sound work plan and agency action item UW-01.

(7) \$75,000 of the general fund—state appropriation for fiscal year 2000 and \$75,000 of the general fund—state appropriation for fiscal year 2001 are provided solely for the Olympic natural resource center.

(8) \$50,000 of the general fund—state appropriation for fiscal year 2000 and \$50,000 of the general fund—state appropriation for fiscal year 2001 are provided solely for the dental education in care of persons with disabilities program.

(9) \$904,000 of the accident account and medical aid account appropriations is provided to establish a bio-contaminant laboratory and consultation service, create a demonstration project, and enhance laboratory and computing equipment in the department of environmental health.

(10) \$958,000 of the general fund—state appropriation for fiscal year 2000 and \$958,000 of the general fund—state appropriation for fiscal year 2001 are provided for the mathematics, engineering, science achievement (MESA) program.

(11) \$1,250,000 of the general fund—state appropriation for fiscal year 2000 and \$1,250,000 of the general fund—state appropriation for fiscal year 2001 are provided solely for research faculty clusters in the advanced technology initiative program.

(12) \$450,000 of the general fund—state appropriation for fiscal year 2001 is provided solely to enhance university expenditures for graduate student appointee health insurance. For fiscal year 2001, the university shall provide the remainder of funding necessary to maintain the benefits and terms of health insurance in effect for graduate student appointees as of the effective date of this section.

(13) \$375,000 of the general fund—state appropriation for fiscal year 2001 is provided solely to provide internet connectivity.

**PART VIII
OTHER TRANSFERS AND APPROPRIATIONS**

NEW SECTION. Sec. 801. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions	\$	6,528,600
General Fund Appropriation for public utility district excise tax distributions	\$	36,427,306
General Fund Appropriation for prosecuting attorney distributions	\$	3,090,000
General Fund Appropriation for boating safety/education and law enforcement distributions	\$	3,780,000
General Fund Appropriation for other tax distributions	\$	39,566
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies	\$	1,621,537
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution	\$	147,500
Timber Tax Distribution Account Appropriation for distribution to "timber" counties	\$	68,562,000
County Criminal Justice Assistance Appropriation	\$	49,835,213
Municipal Criminal Justice Assistance Appropriation	\$	19,988,097
Liquor Excise Tax Account Appropriation for liquor excise tax distribution	\$	28,659,331
Liquor Revolving Account Appropriation for liquor profits distribution	\$	55,344,817
TOTAL APPROPRIATION	\$	274,023,967

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. Sec. 802. FOR THE STATE TREASURER—FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Account Appropriation	\$	1,843,260
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The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2001-03 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving

penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. Sec. 803. FOR THE STATE TREASURER—FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Account Appropriation \$ 1,228,840

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2001-03 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. Sec. 804. FOR THE STATE TREASURER—FEDERAL REVENUES FOR DISTRIBUTION

General Fund Appropriation for federal grazing		
fees distribution	\$	2,050,334
General Fund Appropriation for federal flood		
control funds distribution	\$	26,524
Forest Reserve Fund Appropriation for federal		
forest reserve fund distribution	\$	47,689,181
TOTAL APPROPRIATION	\$	49,766,039

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. Sec. 805. FOR THE STATE TREASURER—TRANSFERS

Public Facilities Construction Loan and
Grant Revolving Account: For transfer
to the digital government revolving account

on or before December 31, 2001	\$	1,418,456
Financial Services Regulation Fund: To be transferred from the financial services regulation fund to the digital government revolving account during the period between July 1, 2001, and December 31, 2001	\$	2,000,000
Local Toxics Control Account: For transfer to the state toxics control account. Transferred funds will be utilized for methamphetamine lab cleanup, to address areawide soil contamination problems, and clean up contaminated sites as part of the clean sites initiative	\$	6,000,000
State Toxics Control Account: For transfer to the water quality account for water quality related projects funded in the capital budget	\$	9,000,000
General Fund: For transfer to the flood control assistance account	\$	4,000,000
Water Quality Account: For transfer to the water pollution control account. Transfers shall be made at intervals coinciding with deposits of federal capitalization grant money into the account. The amounts transferred shall not exceed the match required for each federal deposit	\$	12,564,487
State Treasurer's Service Account: For transfer to the general fund on or before June 30, 2003, an amount in excess of the cash requirements of the state treasurer's service account. Pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased in fiscal year 2003 to reflect this transfer	\$	8,000,000
Public Works Assistance Account: For transfer to the drinking water assistance account	\$	7,700,000
Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual balance of the tobacco settlement account	\$	310,000,000
General Fund: For transfer to the water quality		

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account	\$	60,325,000
Health Services Account: For		
transfer to the state general fund		
by June 30, 2002. Pursuant to RCW		
43.135.035(5), the state expenditure		
limit shall be increased in fiscal		
year 2002 to reflect this transfer	\$	130,000,000
Health Services Account: For		
transfer to the state general fund		
by June 30, 2003. Pursuant to RCW		
43.135.035(5), the state expenditure		
limit shall be increased in fiscal		
year 2003 to reflect this transfer	\$	20,000,000
State Surplus Assets Reserve Fund: For		
transfer to the multimodal transportation		
account by June 30, 2002	\$	70,000,000
Multimodal Transportation Account: For		
transfer to the state general fund		
by June 30, 2002. Pursuant to RCW		
43.135.035(5), the state expenditure		
limit shall be increased in fiscal		
year 2002 to reflect this transfer	\$	70,000,000

NEW SECTION. Sec. 806. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—TRANSFERS

General Fund—State Appropriation: For		
transfer to the department of retirement		
systems expense account: For the		
administrative expenses of the judicial		
retirement system	\$	26,605

**PART IX
MISCELLANEOUS**

NEW SECTION. Sec. 901. EXPENDITURE AUTHORIZATIONS. The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 1999-01 biennium.

NEW SECTION. Sec. 902. INFORMATION SYSTEMS PROJECTS. Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

(a) System refurbishment, acquisitions, and development efforts;

(b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;

(c) Assessment of overall information processing performance, resources, and capabilities;

(d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and

(e) Progress toward enabling electronic access to public information.

(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification for a project needs to demonstrate how the project recovers cost or adds measurable

value or positive cost benefit to the agency's business functions within each development cycle.

(6) The agency shall produce quality assurance plans for information technology projects. Consistent with the direction of the information services board and the published policies and guidelines of the department of information services, the quality assurance plan shall address all factors critical to successful completion of the project and successful integration with the agency and state information technology infrastructure. At a minimum, quality assurance plans shall provide time and budget benchmarks against which project progress can be measured, a specification of quality assurance responsibilities, and a statement of reporting requirements. The quality assurance plans shall set out the functionality requirements for each phase of a project.

(7) A copy of each feasibility study, project management plan, and quality assurance plan shall be provided to the department of information services, the office of financial management, and legislative fiscal committees. The plans and studies shall demonstrate a sound business case that justifies the investment of taxpayer funds on any new project, an assessment of the impact of the proposed system on the existing information technology infrastructure, the disciplined use of preventative measures to mitigate risk, and the leveraging of private-sector expertise as needed. Authority to expend any funds for individual information systems projects is conditioned on the approval of the relevant feasibility study, project management plan, and quality assurance plan by the department of information services and the office of financial management.

(8) Quality assurance status reports shall be submitted to the department of information services, the office of financial management, and legislative fiscal committees at intervals specified in the project's quality assurance plan.

NEW SECTION. Sec. 903. VIDEO TELECOMMUNICATIONS. The department of information services shall act as lead agency in coordinating video telecommunications services for state agencies. As lead agency, the department shall develop standards and common specifications for leased and purchased telecommunications equipment and assist state agencies in developing a video telecommunications expenditure plan. No agency may spend any portion of any appropriation in this act for new video telecommunication equipment, new video telecommunication transmission, or new video telecommunication programming, or for expanding current video telecommunication systems without first complying with chapter 43.105 RCW, including but not limited to, RCW 43.105.041(2), and without first submitting a video telecommunications expenditure plan, in accordance with the policies of the department of information services, for review and assessment by the department of information services under RCW 43.105.052. Prior to any such expenditure by a public school, a video telecommunications expenditure plan shall be approved by the superintendent of public instruction. The office of the superintendent of public instruction shall submit the plans to the department of information services in a form prescribed by the department. The office of the superintendent of public instruction shall coordinate the use of video

telecommunications in public schools by providing educational information to local school districts and shall assist local school districts and educational service districts in telecommunications planning and curriculum development. Prior to any such expenditure by a public institution of postsecondary education, a telecommunications expenditure plan shall be approved by the higher education coordinating board. The higher education coordinating board shall coordinate the use of video telecommunications for instruction and instructional support in postsecondary education, including the review and approval of instructional telecommunications course offerings.

NEW SECTION. Sec. 904. PROGRAM COST SHIFTS. Any program costs or moneys in this act that are shifted to the general fund from another fund or account require an adjustment to the expenditure limit under RCW 43.135.035(5).

NEW SECTION. Sec. 905. RECONCILIATION OF TREASURER TRANSFERS. (1) To reflect the fact that Initiative 728 (chapter 3, Laws of 2001) took effect January 1, 2001, after transfers are made based on prior fiscal year calculations, any balance in the emergency reserve fund in excess of five percent of annual general fund—state revenues for fiscal year 2001 shall be deposited as follows: Pursuant to section 3(3), chapter 2, Laws of 2000 2nd sp. sess., 50 percent to the education construction fund; and pursuant to section 9(3), chapter 3, Laws of 2001, 37.5 percent to the student achievement fund and 12.5 percent to the general fund.

(2) After the close of the fiscal year, to reconcile these accounts, the treasurer shall make transfers between accounts as necessary to ensure that the amounts deposited are consistent with these percentages and reflect the revised expenditure limit, actual revenues as reported by the economic and revenue forecast council, and the balance in the emergency reserve fund after the close of the fiscal year.

NEW SECTION. Sec. 906. EMERGENCY FUND ALLOCATIONS. Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. No appropriation shall be necessary to effect such repayment.

NEW SECTION. Sec. 907. STATUTORY APPROPRIATIONS. In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system plan 2, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94 and 39.96 RCW or any proper bond covenant made under law.

NEW SECTION. Sec. 908. BOND EXPENSES. In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

NEW SECTION. Sec. 909. VOLUNTARY SEPARATION INCENTIVES. As a management tool to reduce costs and make more effective use of resources, while improving employee productivity and morale, agencies may offer voluntary separation and/or downshifting incentives and options according to procedures and guidelines established by the department of personnel and the department of retirement systems in consultation with the office of financial management. The options may include, but are not limited to, financial incentives for: Voluntary resignation and retirement, voluntary leave-without-pay, voluntary workweek or work hour reduction, voluntary downward movement, or temporary separation for development purposes. No employee shall have a contractual right to a financial incentive offered pursuant to this section.

Agencies shall report on the outcomes of their plans, and offers shall be reviewed and monitored jointly by the department of personnel and the department of retirement systems, for reporting to the office of financial management by December 1, 2002.

NEW SECTION. Sec. 910. VOLUNTARY RETIREMENT INCENTIVES. It is the intent of the legislature that agencies may implement a voluntary retirement incentive program that is cost neutral or results in cost savings provided that such a program is approved by the director of retirement systems and the office of financial management. Agencies participating in this authorization are required to submit a report by June 30, 2003, to the legislature and the office of financial management on the outcome of their approved retirement incentive program. The report should include information on the details of the program including resulting service delivery changes, agency efficiencies, the cost of the retirement incentive per participant, the total cost to the state, and the projected or actual net dollar savings over the 2001-03 biennium.

Sec. 911. RCW 43.320.110 and 2001 c 177 s 2 are each amended to read as follows:

There is created a local fund known as the "financial services regulation fund" which shall consist of all moneys received by the divisions of the department of financial institutions, except for the division of securities which shall deposit thirteen percent of all moneys received, and which shall be used for the purchase of supplies and necessary equipment; the payment of salaries, wages, and utilities; the establishment of reserves; and other incidental costs required for the proper regulation of individuals and entities subject to regulation by the department. The state treasurer shall be the custodian of the fund. Disbursements from the fund shall be on authorization of the director of financial institutions or the director's designee. In order to maintain an effective expenditure and revenue control, the

fund shall be subject in all respects to chapter 43.88 RCW, but no appropriation is required to permit expenditures and payment of obligations from the fund.

Between July 1, 2001, and December 31, 2001, the legislature may transfer up to two million dollars from the financial services regulation fund to the state general fund.

**Sec. 912. RCW 76.12.110 and 2000 2nd sp.s. c 1 s 915 are each amended to read as follows:*

There is created a forest development account in the state treasury. The state treasurer shall keep an account of all sums deposited therein and expended or withdrawn therefrom. Any sums placed in the account shall be pledged for the purpose of paying interest and principal on the bonds issued by the department, and for the purchase of land for growing timber. Any bonds issued shall constitute a first and prior claim and lien against the account for the payment of principal and interest. No sums for the above purposes shall be withdrawn or paid out of the account except upon approval of the department.

Appropriations may be made by the legislature from the forest development account to the department for the purpose of carrying on the activities of the department on state forest lands, lands managed on a sustained yield basis as provided for in RCW 79.68.040, and for reimbursement of expenditures that have been made or may be made from the resource management cost account in the management of state forest lands. For the ~~((1999-2001))~~ 2001-2003 fiscal biennium, moneys from the account shall be distributed as directed in the omnibus appropriations act to the beneficiaries of the revenues derived from state forest lands. Funds that accrue to the state from such a distribution shall be deposited into the salmon recovery account. These funds shall be used for a grant program for cities and counties for the preservation and restoration of riparian, marine, and estuarine areas.

**Sec. 912 was vetoed. See message at end of chapter.*

Sec. 913. RCW 49.70.170 and 1999 c 309 s 917 are each amended to read as follows:

(1) The worker and community right to know fund is hereby established in the custody of the state treasurer. The department shall deposit all moneys received under this chapter in the fund. Moneys in the fund may be spent only for the purposes of this chapter following legislative appropriation. Disbursements from the fund shall be on authorization of the director or the director's designee. During the ~~((1999-2001))~~ 2001-2003 fiscal biennium, moneys in the fund may also be used by the military department for the purpose of assisting the state emergency response commission and coordinating local emergency planning activities. The fund is subject to the allotment procedure provided under chapter 43.88 RCW.

(2) The department shall assess each employer who reported ten thousand four hundred or more worker hours in the prior calendar year an annual fee to provide for the implementation of this chapter. The department shall promulgate rules establishing a fee schedule for all employers who reported ten thousand four

hundred or more worker hours in the prior calendar year and are engaged in business operations having a standard industrial classification, as designated in the standard industrial classification manual prepared by the federal office of management and budget, within major group numbers 01 through 08 (agriculture and forestry industries), numbers 10 through 14 (mining industries), numbers 15 through 17 (construction industries), numbers 20 through 39 (manufacturing industries), numbers 41, 42, and 44 through 49 (transportation, communications, electric, gas, and sanitary services), number 75 (automotive repair, services, and garages), number 76 (miscellaneous repair services), number 80 (health services), and number 82 (educational services). The department shall establish the annual fee for each employer who reported ten thousand four hundred or more worker hours in the prior calendar year in industries identified by this section, provided that fees assessed shall not be more than two dollars and fifty cents per full time equivalent employee. The annual fee shall not exceed fifty thousand dollars. The fees shall be collected solely from employers whose industries have been identified by rule under this chapter. The department shall promulgate rules allowing employers who do not have hazardous substances at their workplace to request an exemption from the assessment and shall establish penalties for fraudulent exemption requests. All fees collected by the department pursuant to this section shall be collected in a cost-efficient manner and shall be deposited in the fund.

(3) Records required by this chapter shall at all times be open to the inspection of the director, or his designee including, the traveling auditors, agents or assistants of the department provided for in RCW 51.16.070 and 51.48.040. The information obtained from employer records under the provisions of this section shall be subject to the same confidentiality requirements as set forth in RCW 51.16.070.

(4) An employer may appeal the assessment of the fee or penalties pursuant to the procedures set forth in Title 51 RCW and accompanying rules except that the employer shall not have the right of appeal to superior court as provided in Title 51 RCW. The employer from whom the fee or penalty is demanded or enforced, may however, within thirty days of the board of industrial insurance appeal's final order, pay the fee or penalty under written protest setting forth all the grounds upon which such fee or penalty is claimed to be unlawful, excessive or otherwise improper and thereafter bring an action in superior court against the department to recover such fee or penalty or any portion of the fee or penalty which was paid under protest.

(5) Repayment shall be made to the general fund of any moneys appropriated by law in order to implement this chapter.

Sec. 914. RCW 43.08.250 and 2000 2nd sp.s. c 1 s 911 are each amended to read as follows:

The money received by the state treasurer from fees, fines, forfeitures, penalties, reimbursements or assessments by any court organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be deposited in the public safety and education account which is hereby created in the state treasury. The legislature

shall appropriate the funds in the account to promote traffic safety education, highway safety, criminal justice training, crime victims' compensation, judicial education, the judicial information system, civil representation of indigent persons, winter recreation parking, and state game programs. During the fiscal biennium ending June 30, ~~((2001))~~ 2003, the legislature may appropriate moneys from the public safety and education account for purposes of appellate indigent defense and other operations of the office of public defense, the criminal litigation unit of the attorney general's office, the treatment alternatives to street crimes program, crime victims advocacy programs, justice information network telecommunication planning, treatment for supplemental security income clients, sexual assault treatment, operations of the office of administrator for the courts, security in the common schools, alternative school start-up grants, programs for disruptive students, criminal justice data collection, Washington state patrol criminal justice activities, drug court operations, ~~((department of ecology methamphetamine-related activities))~~ unified family courts, local court backlog assistance, financial assistance to local jurisdictions for extraordinary costs incurred in the adjudication of criminal cases, domestic violence treatment and related services, the department of corrections' costs in implementing chapter 196, Laws of 1999, reimbursement of local governments for costs associated with implementing criminal and civil justice legislation, ~~((and))~~ the replacement of the department of corrections' offender-based tracking system, and methamphetamine-related enforcement, education, training, and drug and alcohol treatment services.

Sec. 915. RCW 82.14.310 and 1999 c 309 s 920 are each amended to read as follows:

(1) The county criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer shall transfer into the county criminal justice assistance account from the general fund the sum of twenty-three million two hundred thousand dollars divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the state treasurer shall increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year.

(2) The moneys deposited in the county criminal justice assistance account for distribution under this section, less any moneys appropriated for purposes under subsection (4) of this section, shall be distributed at such times as distributions are made under RCW 82.44.150 and on the relative basis of each county's funding factor as determined under this subsection.

(a) A county's funding factor is the sum of:

(i) The population of the county, divided by one thousand, and multiplied by two-tenths;

(ii) The crime rate of the county, multiplied by three-tenths; and

(iii) The annual number of criminal cases filed in the county superior court, for each one thousand in population, multiplied by five-tenths.

(b) Under this section and RCW 82.14.320 and 82.14.330:

(i) The population of the county or city shall be as last determined by the office of financial management;

(ii) The crime rate of the county or city is the annual occurrence of specified criminal offenses, as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs, for each one thousand in population;

(iii) The annual number of criminal cases filed in the county superior court shall be determined by the most recent annual report of the courts of Washington, as published by the office of the administrator for the courts;

(iv) Distributions and eligibility for distributions in the 1989-91 biennium shall be based on 1988 figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection. Future distributions shall be based on the most recent figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection.

(3) Moneys distributed 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 or juvenile justice system occurs, and which includes (a) domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020, and (b) during the ~~((1999-2001))~~ 2001-2003 fiscal biennium, juvenile dispositional hearings relating to petitions for at-risk youth, truancy, and children in need of services. 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.

(4) Not more than five percent of the funds deposited to the county criminal justice assistance account shall be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements shall not supplant existing funds from the state general fund.

Sec. 916. RCW 43.72.902 and 2000 2nd sp.s. c 1 s 913 are each amended to read as follows:

The public health services account is created in the state treasury. Moneys in the account may be spent only after appropriation. Moneys in the account may be expended only for maintaining and improving the health of Washington residents through the public health system. For purposes of this section, the public health system shall consist of the state board of health, the state department of health, and

local health departments and districts. During the ~~((1999-2001))~~ 2001-2003 biennium, moneys in the fund may also be used for costs associated with hepatitis C testing and treatment in correctional facilities.

Sec. 917. RCW 43.79.465 and 1998 c 302 s 2 are each amended to read as follows:

The education savings account is created in the state treasury. The account shall consist of all moneys appropriated to the account by the legislature.

(1) Ten percent of legislative appropriations to the education savings account shall be distributed as follows: (a) Fifty percent to the distinguished professorship trust fund under RCW 28B.10.868; (b) seventeen percent to the graduate fellowship trust fund under RCW 28B.10.882; and (c) thirty-three percent to the college faculty awards trust fund under RCW 28B.50.837.

(2) The remaining moneys in the education savings account may be appropriated solely for (a) common school construction projects that are eligible for funding from the common school construction account, ~~((and))~~ (b) technology improvements in the common schools, and (c) during the 2001-03 fiscal biennium, technology improvements in public higher education institutions.

Sec. 918. RCW 46.10.040 and 1997 c 241 s 2 are each amended to read as follows:

Application for registration shall be made to the department in the manner and upon forms the department prescribes, and shall state the name and address of each owner of the snowmobile to be registered, and shall be signed by at least one such owner, and shall be accompanied by an annual registration fee to be established by the commission, after consultation with the committee and any state-wide snowmobile user groups. ~~((The fee shall be fifteen dollars pending action by the commission to increase the fee.))~~ The commission shall increase the current fee of twenty dollars by ((two)) five dollars ((and fifty cents)) effective September 30, ~~((1996))~~ 2001, and the commission shall increase the fee by another ~~((two))~~ five dollars ((and fifty cents)) effective September 30, ~~((1997))~~ 2002. After the fee increase effective September 30, ~~((1997))~~ 2002, the commission shall not increase the fee. Upon receipt of the application and the application fee, the snowmobile shall be registered and a registration number assigned, which shall be affixed to the snowmobile in a manner provided in RCW 46.10.070.

The registration provided in this section shall be valid for a period of one year. At the end of the period of registration, every owner of a snowmobile in this state shall renew his or her registration in the manner the department prescribes, for an additional period of one year, upon payment of the annual registration fee as determined by the commission.

Any person acquiring a snowmobile already validly registered under the provisions of this chapter must, within ten days of the acquisition or purchase of the snowmobile, make application to the department for transfer of the registration, and the application shall be accompanied by a transfer fee of one dollar and twenty-five cents.

A snowmobile owned by a resident of another state or Canadian province where registration is not required by law may be issued a nonresident registration permit valid for not more than sixty days. Application for the permit shall state the name and address of each owner of the snowmobile to be registered and shall be signed by at least one owner and shall be accompanied by a registration fee of five dollars. The registration permit shall be carried on the vehicle at all times during its operation in this state.

The registration fees provided in this section shall be in lieu of any personal property or excise tax heretofore imposed on snowmobiles by this state or any political subdivision thereof, and no city, county, or other municipality, and no state agency shall hereafter impose any other registration or license fee on any snowmobile in this state.

The department shall make available a pair of uniform decals consistent with the provisions of RCW 46.10.070. In addition to the registration fee provided in this section the department shall charge each applicant for registration the actual cost of the decal. The department shall make available replacement decals for a fee equivalent to the actual cost of the decals.

Sec. 919. RCW 72.11.040 and 2000 2nd sp.s. c 1 s 914 are each amended to read as follows:

The cost of supervision fund is created in the custody of the state treasurer. All receipts from assessments made under RCW 9.94A.270 and 72.04A.120 shall be deposited into the fund. Expenditures from the fund may be used only to support the collection of legal financial obligations. During the ~~((1999-2001))~~ 2001-2003 biennium, funds from the account may also be used for costs associated with the department's supervision of the offenders in the community ~~((and the replacement of the department of corrections' offender-based tracking system))~~. Only the secretary of the department of corrections or the secretary's designee may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

Sec. 920. RCW 69.50.520 and 2000 2nd sp.s. c 1 s 917 are each amended to read as follows:

The violence reduction and drug enforcement account is created in the state treasury. All designated receipts from RCW 9.41.110(8), 66.24.210(4), 66.24.290(2), 69.50.505(h)(1), 82.08.150(5), 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989 shall be deposited into the account. Expenditures from the account may be used only for funding services and programs under chapter 271, Laws of 1989 and chapter 7, Laws of 1994 sp. sess., including state incarceration costs. Funds from the account may also be appropriated to reimburse local governments for costs associated with implementing criminal justice legislation including chapter 338, Laws of 1997. During the ~~((1999-2001))~~ 2001-2003 biennium, funds from the account may also be used for costs associated with providing grants to local governments in accordance with chapter 338, Laws of 1997, ~~((the design, sitework, and construction of the special commitment~~

center)) the replacement of the department of corrections' offender-based tracking system, maintenance and operating costs of the Washington association of sheriffs and police chiefs jail reporting system, and for multijurisdictional narcotics task forces. After July 1, ((2001)) 2003, at least seven and one-half percent of expenditures from the account shall be used for providing grants to community networks under chapter 70.190 RCW by the family policy council.

**Sec. 921. RCW 79A.05.070 and 1999 c 249 s 307 are each amended to read as follows:*

The commission may:

- (1) Make rules and regulations for the proper administration of its duties;*
- (2) Accept any grants of funds made with or without a matching requirement by the United States, or any agency thereof, for purposes in keeping with the purposes of this chapter; accept gifts, bequests, devises and endowments for purposes in keeping with such purposes; enter into cooperative agreements with and provide for private nonprofit groups to use state park property and facilities to raise money to contribute gifts, grants, and support to the commission for the purposes of this chapter. The commission may assist the nonprofit group in a cooperative effort by providing necessary agency personnel and services, if available. However, none of the moneys raised may inure to the benefit of the nonprofit group, except in furtherance of its purposes to benefit the commission as provided in this chapter. The agency and the private nonprofit group shall agree on the nature of any project to be supported by such gift or grant prior to the use of any agency property or facilities for raising money. Any such gifts may be in the form of recreational facilities developed or built in part or in whole for public use on agency property, provided that the facility is consistent with the purposes of the agency;*
- (3) Require certification by the commission of all parks and recreation workers employed in state aided or state controlled programs;*
- (4) Act jointly, when advisable, with the United States, any other state agencies, institutions, departments, boards, or commissions in order to carry out the objectives and responsibilities of this chapter;*
- (5) Grant franchises and easements for any legitimate purpose on parks or parkways, for such terms and subject to such conditions and considerations as the commission shall specify;*
- (6) Charge such fees for services, utilities, and use of facilities as the commission shall deem proper, except that during the 2001-03 fiscal biennium the commission shall not charge fees for basic parkland access;*
- (7) Enter into agreements whereby individuals or companies may rent undeveloped parks or parkway land for grazing, agricultural, or mineral development purposes upon such terms and conditions as the commission shall deem proper, for a term not to exceed ten years;*
- (8) Determine the qualifications of and employ a director of parks and recreation who shall receive a salary as fixed by the governor in accordance with the provisions of RCW 43.03.040 and determine the qualifications and*

salary of and employ such other persons as may be needed to carry out the provisions hereof; and

(9) Without being limited to the powers hereinbefore enumerated, the commission shall have such other powers as in the judgment of a majority of its members are deemed necessary to effectuate the purposes of this chapter: PROVIDED, That the commission shall not have power to supervise directly any local park or recreation district, and no funds shall be made available for such purpose.

*Sec. 921 was vetoed. See message at end of chapter.

Sec. 922. RCW 70.146.030 and 1996 c 37 s 2 are each amended to read as follows:

(1) The water quality account is hereby created in the state treasury. Moneys in the account may be used only in a manner consistent with this chapter. Moneys deposited in the account shall be administered by the department of ecology and shall be subject to legislative appropriation. Moneys placed in the account shall include tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390, principal and interest from the repayment of any loans granted pursuant to this chapter, and any other moneys appropriated to the account by the legislature.

(2) The department may use or permit the use of any moneys in the account to make grants or loans to public bodies, including grants to public bodies as cost-sharing moneys in any case where federal, local, or other funds are made available on a cost-sharing basis, for water pollution control facilities and activities, or for purposes of assisting a public body to obtain an ownership interest in water pollution control facilities and/or to defray a part of the payments made by a public body to a service provider under a service agreement entered into pursuant to RCW 70.150.060, within the purposes of this chapter and for related administrative expenses. For the period July 1, 2001, to June 30, 2003, moneys in the account may be used to process applications received by the department that seek to make changes to or transfer existing water rights. No more than three percent of the moneys deposited in the account may be used by the department to pay for the administration of the grant and loan program authorized by this chapter.

(3) Beginning with the biennium ending June 30, 1997, the department shall present a biennial progress report on the use of moneys from the account to the chairs of the senate committee on ways and means and the house of representatives committee on appropriations. The first report is due June 30, 1996, and the report for each succeeding biennium is due December 31 of the odd-numbered year. The report shall consist of a list of each recipient, project description, and amount of the grant, loan, or both.

(4) During the fiscal biennium ending June 30, 1997, moneys in the account may be transferred by the legislature to the water right permit processing account.

NEW SECTION. Sec. 923. 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. 924. 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, except for section 911 of this act which takes effect July 1, 2001.

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 WESTERN WASHINGTON UNIVERSITY 1944
 WORK FORCE TRAINING AND EDUCATION COORDINATING
 BOARD 1948

Passed the Senate June 20, 2001.

Passed the House June 15, 2001.

Approved by the Governor June 26, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State June 26, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval ns to sections 2; 123(3); 203(1)(s); 217(4); 302(15); 302(16); 302(17); 308(6); 402(5); 514(12)(a); 603(12); 710; 912 and 921 of Engrossed Substitute Senate Bill No. 6153 entitled:

"AN ACT Relating to fiscal matters;"

My reasons for vetoing these sections are as follows:

Section 2, Page 2, Restrictions on Governor's Supplemental Budget

In the event of a projected cash deficit in the state General Fund, the Governor would have been directed to make across-the-board allotment reductions, and to recommend expenditures from the Emergency Reserve Fund before proposing any General Fund tax increases. This provision would have re-stated existing allotment authority, as well as limiting the executive's prerogative concerning its supplemental budget recommendations.

Section 123(3), Page 16, Performance Audits (State Auditor)

This section would have directed the Office of State Auditor to conduct performance audits of three governmental entities as demonstration audits for state and local government agencies. The Joint Legislative Audit and Review Committee (JLARC) already has statutory responsibility for conducting performance audits. There is no compelling reason to duplicate JLARC functions within the Office of State Auditor.

Also, because of an apparent technical error, subsections (2) and (3) would have authorized expenditures from the state General Fund greater than the agency appropriation. With respect to subsection (2), it is my intent to pursue correction of this dollar amount in the 2002 supplemental budget.

Section 203(1)(s), Page 44, Contracted Beds at Local County Detention Facilities (Department of Social and Health Services - Juvenile Rehabilitation Program)

This subsection would have affected the funding for the 33 contracted local county detention facilities and also directed the Department of Social and Health Services (DSHS) not to consider beds in those facilities to achieve reductions in bed capacity. The June 2001 forecast of the Caseload Forecast Council indicates that the juvenile rehabilitation residential population will be declining by approximately 60 beds, and this trend is expected to continue. By

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eliminating these contracted beds from consideration for reductions, DSHS would have been hindered in its ability to effectively manage and utilize residential beds while providing the appropriate services to youths.

Section 217(4), Page 72, Safety and Health Grants (Department of Labor and Industries)

This section attempted to prevent the Department of Labor and Industries from operating the safety and health grant program, unless separate legislation is passed that specifically authorizes expenditures for that program. However, the statutory authority for that program already exists and cannot be changed by an appropriations bill.

Section 302(15), Page 86, Culvert Removal on Rocky Ford Creek (Department of Ecology)

This subsection would have required the Department of Ecology (DOE) to provide \$50,000 to a local conservation district in Moses Lake for a culvert removal project on Rocky Ford Creek. I support on-the-ground efforts to address flooding and fish barrier problems, and funding for this type of project is available from several existing grant and loan programs through the Salmon Recovery Funding Board, DOE, and the Public Works Trust Board.

Section 302(16), Page 86, Washington Watershed, Science, and Technology Program (Department of Ecology)

This subsection would have required DOE to provide \$300,000 to the State Conservation Commission to establish the Washington Watershed, Science, and Technology Program. This program would have provided technical assistance to private landowners in conducting water quality monitoring, riparian vegetation management, and noxious weed control. Although I support the goal of this proviso, the creation of a new technical assistance program for these items is unnecessary since the Conservation Commission, DOE, and the Department of Fish and Wildlife already provide such assistance.

Section 302(17), Pages 86-87, Palouse Conservation District Pilot Project (Department of Ecology)

The subsection would have required DOE to provide \$75,000 to a conservation district in the Palouse region for a pilot project to evaluate the ability of existing voluntary and regulatory programs to improve water quality. Funding for this project is available, and has already been applied for, from the Centennial Clean Water Fund.

Section 308(6), Page 97, Trust Land Roads Nonappropriated Account (Department of Natural Resources)

This subsection would have restricted the appropriation of a nonappropriated account. Since there is not an appropriation from this account, the proviso is not binding and should not be included in the appropriations bill.

Section 402(5), Page 103, Mobilization of State Fire Service Resources Study (Washington State Patrol)

This proviso would have required the Washington State Patrol, in consultation with various local and state fire service entities, to conduct a study of the fire mobilization plan and procedures. The study was to include an analysis of the cost effectiveness and efficiency of the fire service mobilization plan. However, no funds were provided to the Patrol for this activity. I will direct the Patrol to examine, to the extent possible within existing resources, the fire mobilization plan and to make timely recommendations for improvements.

Section 514(12)(a), Page 137, National Board for Professional Teaching Standards Bonus (Superintendent of Public Instruction - Education Reform)

Section 514(12) provides funding for bonuses for teachers who attain certification by the National Board for Professional Teaching Standards (NBPTS). The Legislature extended the length of the bonus from two to three years, but subsection (a) would have resulted in ten teachers losing their third year bonus payment because they achieved NBPTS certification before the 1999-00 school year. Sufficient funds are provided in the fiscal year 2002 budget to make the third bonus payment to these outstanding teachers - who were the first in this state to pursue and obtain NBPTS certification. Therefore, I have vetoed Section 514(12)(a) and request that the Superintendent of Public Instruction make an annual bonus payment of \$3,500 to every teacher who attained NBPTS certification before or during the 2001-02 school year.

This veto makes a technical correction to allow the full implementation of the three-year bonus limit adopted by the Legislature. Next session, I will again ask the Legislature to provide

funding for bonus payments to teachers for each year in which their certification by the NBPTS is maintained.

Section 603(12), Page 152, Fee for Adult Basic Education Courses (State Board for Community and Technical Colleges)

The purpose of adult basic education is to provide adults the basic knowledge and skills that are normally acquired from kindergarten through 12th grade. Therefore, it has been the policy of the state to pay for this education. Before we ask students to pay for a portion of this education, there should be a public discussion about changing the current policy.

I am asking the State Board for Community and Technical Colleges to review their adult basic education programs and recommend changes to our policy that will improve this program, including any alterations in the way this program should be funded.

Section 710, Pages 169-170, Distribution of Excess Funds from the Forest Development Account (Department of Natural Resources)

Distribution of forest management funds to counties at this time is not in the best interest of the long-term health of the account or the long-term management of the resources on Forest Board lands. Prior transfers from this account have depleted the available balance. In addition, the Department of Natural Resources' June revenue forecast projects an \$8.8 million decrease in revenue for the Forest Development Account.

Section 912, Pages 202-203, Forest Development Account Distribution of Fund Balance (Department of Natural Resources)

This section would have provided statutory authorization during the 2001-03 Biennium to distribute Forest Development Account funds as directed in section 710. Since section 710 has been vetoed, section 912 is unnecessary.

Section 921, Pages 210-212, Parks and Recreation Fees (Washington State Parks and Recreation Commission)

This section would have temporarily limited the statutory authority allowing the Washington State Parks and Recreation Commission to charge fees for basic parkland access. The revenue from such fees can be used to provide desperately needed maintenance to park facilities. Currently, the parks system has a \$40 million maintenance backlog in addition to a \$292 million ten-year capital facilities funding need. I have in the past supported, and continue to believe it is important, that we preserve the Commission's ability to implement fees as it deems appropriate.

For these reasons, I have vetoed sections 2; 123(3); 203(1)(s); 217(4); 302(15); 302(16); 302(17); 308(6); 402(5); 514(12)(a); 603(12); 710; 912 and 921 of Engrossed Substitute Senate Bill No. 6153.

With the exception of sections 2; 123(3); 203(1)(s); 217(4); 302(15); 302(16); 302(17); 308(6); 402(5); 514(12)(a); 603(12); 710; 912 and 921, Engrossed Substitute Senate Bill No. 6153 is approved."

CHAPTER 8

[Substitute Senate Bill 6155]

CAPITAL BUDGET

AN ACT Relating to the capital budget; making appropriations and authorizing expenditures for capital improvements; creating new sections; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period ending June 30, 2003, out of the several funds specified in this act.

**PART 1
GENERAL GOVERNMENT**

NEW SECTION. Sec. 101. FOR THE OFFICE OF THE SECRETARY OF STATE

Deferred Maintenance Reduction Backlog Projects: Regional Archive (02-1-002)

Appropriation:

State Building Construction Account—State	\$	100,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	415,000
TOTAL	\$	515,000

NEW SECTION. Sec. 102. FOR THE OFFICE OF THE SECRETARY OF STATE

Eastern Branch Archives—Design (98-2-001)

The appropriation in this section is provided solely for the design of the eastern regional archives facility to be sited on the Eastern Washington University campus in Cheney. Construction of the facility will be financed through alternative financing authority provided in section 907 of this act.

Reappropriation:

State Building Construction Account—State	\$	295,482
Prior Biennia (Expenditures)	\$	530,972
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	826,454

NEW SECTION. Sec. 103. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Rural Washington Loan Fund (RWLF)(88-2-002)

Reappropriation:

State Building Construction Account—State	\$	558,554
Rural Washington Loan Account—Federal	\$	441,000
Subtotal Reappropriation	\$	999,554

Appropriation:

Rural Washington Loan Account—Federal	\$	5,650,367
Prior Biennia (Expenditures)	\$	19,309,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	25,958,921

NEW SECTION. Sec. 104. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Grays Harbor Dredging (88-2-006)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	982,500
Prior Biennia (Expenditures)	\$	17,500
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,000,000

NEW SECTION. Sec. 105. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Snohomish County Drainage (92-2-011)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	128,584
Prior Biennia (Expenditures)	\$	79,584
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	208,168

NEW SECTION. Sec. 106. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Seventh Street Theatre (90-2-008)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	51,110
Prior Biennia (Expenditures)	\$	78,890
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	130,000

NEW SECTION. Sec. 107. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Mirabeau Point Community Complex (98-2-010)

The appropriations in this section are subject to the following conditions and limitations:

(1) The amount is provided solely for a grant to Spokane county for design and development costs for Mirabeau Point community complex.

(2) The amount represents the entire state contribution to the project and shall be matched by \$8,500,000 in contributions toward the project from nonstate sources.

(3) The reappropriation is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	351,255
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Appropriation:

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State Building Construction Account—State	\$	2,000,000
Prior Biennia (Expenditures)	\$	1,148,745
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,500,000

NEW SECTION. Sec. 108. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Sand Point Shoreline Restoration (00-1-002)

The reappropriation in this section is provided to the city of Seattle for shoreline improvements and wetland restoration at Sand Point. The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	500,000

NEW SECTION. Sec. 109. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Building for the Arts (00-2-005)

The appropriations in this section are subject to the following conditions and limitations:

(1) \$750,000 of the reappropriation in this section shall support the projects as listed in section 113, chapter 379, Laws of 1999.

(2) \$250,000 of the reappropriation in this section and the new appropriation from the state building construction account is subject to the provisions of RCW 43.63A.750.

(3) The following projects are eligible for funding:

Projects	Recommendation
Orcas Theatre, Eastsound	\$400,000
Empty Space Theatre, Fremont	\$29,000
Music Works Northwest, Bellevue	\$475,000
Hands on Children's Museum, Olympia	\$130,000
Spokane Symphony, Spokane	\$230,000
Mt. Baker Theatre, Bellingham	\$128,000
IKEA Performing Arts Center, Renton	\$135,000
Seattle Art Museum, Seattle	\$1,000,000
Town Hall, Seattle	\$175,000
Gladish Center, Pullman	\$29,000
Broadway Center, Tacoma	\$50,000
CREATE, Newport	\$21,000
Spectrum Dance Theatre, Seattle	\$78,000

Gallery One, Ellensburg	\$225,000
Lake Chelan Bachfest, Chelan	\$38,000
Historic Seattle Preservation, Seattle	\$390,000
Historic Everett Theatre, Everett	\$350,000
Holy Names Music Center, Spokane	\$50,000
Youth Theatre Northwest, Mercer Island	\$67,000
Arts West, Seattle	\$87,000
Harrington Opera House, Harrington	\$13,000
Subtotal	\$4,100,000
Alternate Projects	
Youth Theatre Northwest, Mercer Island	\$158,000
Subtotal	\$158,000
Total	\$4,258,000
Reappropriation:	
State Building Construction Account—State	\$ 1,000,000
Appropriation:	
State Building Construction Account—State	\$ 3,850,000
Prior Biennia (Expenditures)	\$ 30,848,000
Future Biennia (Projected Costs)	\$ 16,000,000
TOTAL	\$ 51,698,000

NEW SECTION. Sec. 110. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Community Services Facilities Program (00-02-006)

The reappropriation in this section shall support the projects as listed in section 1007, chapter 1, Laws of 2000 2nd sp. sess.

Reappropriation:	
State Building Construction Account—State	\$ 1,400,000
Prior Biennia (Expenditures)	\$ 10,253,000
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 11,653,000

NEW SECTION. Sec. 111. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Community Services Facilities Program (02-4-007)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the provisions of RCW 43.63A.125. The following projects are eligible for funding:

Projects	Recommendation
YMCA of Grays Harbor, Aberdeen	\$300,000
Community Youth Services, Olympia	\$300,000

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Skagit County Community Action, Concrete	\$300,000
Kindering Center, Bellevue	\$300,000
Bellevue Family YMCA, Bellevue	\$300,000
Refugee Women's Alliance, Seattle	\$300,000
YWCA of Walla Walla, Walla Walla	\$300,000
Pierce County Alliance (facility), Tacoma	\$61,000
Compass Health, Everett	\$300,000
Mid-City Concerns, Spokane	\$28,000
Children's Home Society, Vaughn	\$70,000
Children's Home society, Spokane	\$238,000
Catholic Family/Child Services, Yakima	\$152,000
Korean Women's Association, Tacoma	\$218,000
Factory Small Biz Incubator, Tacoma	\$300,000
Lao Highland Association of King County, Seattle	\$119,000
First Place, Seattle	\$300,000
NE Washington Rural Resources, Colville	\$300,000
Filipino Community Center, Seattle	\$200,000
Filipino Community Center, Wapato	\$25,000
Subtotal	\$4,411,000
Alternate Projects	
Nooksack Community Aid Society, Deming	\$165,000
Childhaven, Seattle	\$149,000
Subtotal	\$314,000
Total	\$4,725,000

(2) \$200,000 of the appropriation in this section for the Filipino Community Center in Seattle shall be matched by \$200,000 in additional contributions toward the project from local government.

Appropriation:

State Building Construction Account—State	\$	4,411,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	16,000,000
TOTAL	\$	20,411,000

NEW SECTION. Sec. 112. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Housing for Homeless Families With Children Program (00-2-009)

The reappropriation in this section is provided solely for the development of emergency shelters and transitional housing opportunities for homeless families with children. The department shall minimize the amount of funds that are utilized for staff and administrative purposes.

Reappropriation:

State Building Construction Account—State	\$	500,000
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Prior Biennia (Expenditures)	\$	4,500,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,000,000

NEW SECTION. Sec. 113. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Housing for Homeless Families with Children Program (02-4-012)

The appropriation in this section is provided solely for the development of emergency shelters and transitional housing opportunities for homeless families with children. The department shall minimize the amount of funds that are utilized for staff and administrative purposes.

Appropriation:

State Building Construction Account—State	\$	5,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	20,000,000
TOTAL	\$	25,000,000

NEW SECTION. Sec. 114. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Farmworker Housing Assistance (00-2-011)

The reappropriation in this section is subject to the following conditions and limitations:

- (1) The reappropriation is provided solely for facilities housing low-income migrant, seasonal, and temporary farmworkers.
- (2) It is the intent of the legislature that operation of the facilities built under this section be in compliance with 8 U.S.C. Sec. 1342.
- (3) The department shall minimize the amount of these funds that are utilized for staff and administrative purposes or for other administrative purposes.
- (4) By December 15, 2001, the department shall submit a report to the governor and the appropriate committees of the legislature on the progress of the development of housing for farmworkers, including a list of projects funded under this section.
- (5) The department shall work with the farmworker housing advisory committee to prioritize funding of projects to the areas of highest need.

Reappropriation:

State Building Construction Account—State	\$	500,000
Prior Biennia (Expenditures)	\$	7,500,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	8,000,000

NEW SECTION. Sec. 115. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Farmworker Housing Assistance (02-4-011)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for facilities housing low-income migrant, seasonal, or temporary farmworkers.

(2) It is the intent of the legislature that operation of the facilities built under this section be in compliance with 8 U.S.C. Sec. 1342.

(3) The department shall minimize the amount of these funds that are utilized for staff and administrative purposes or other operational expenses.

(4) By September 1, 2002, the department shall submit a report to the governor and the appropriate committees of the legislature on the progress of the development of housing for farmworkers, including a list of projects funded under this section.

(5) The department shall work with the farmworker housing advisory committee to prioritize funding of projects to the areas of highest need.

(6) Funding may also be provided, to the extent qualified projects are submitted, for health and safety projects.

Appropriation:

State Building Construction Account—State	\$	8,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	32,000,000
TOTAL	\$	40,000,000

NEW SECTION. Sec. 116. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Housing Assistance, Weatherization, and Affordable Housing (00-2-003)

The reappropriation in this section is subject to the conditions and limitations set forth in section 111, chapter 379, Laws of 1999.

Reappropriation:

State Building Construction Account—State	\$	26,800,000
Prior Biennia (Expenditures)	\$	35,000,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	61,800,000

NEW SECTION. Sec. 117. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Housing Assistance, Weatherization, and Affordable Housing (02-4-010)

The appropriations in this section are subject to the following conditions and limitations:

(1) At least \$9,000,000 of the new appropriation from the state building construction account is provided solely for weatherization administered through the energy matchmakers program.

(2) \$5,000,000 of the new appropriation from the state building construction account is provided solely to promote development of safe and affordable housing

units for persons eligible for services from the division of developmental disabilities within the department of social and health services.

(3) \$2,000,000 of the appropriation from the state building construction account is provided solely for grants to nonprofit organizations and public housing authorities for revolving loan, self-help housing programs for low and moderate income families.

(4) \$1,000,000 of the new appropriation from the state building construction account is provided solely for shelters, transitional housing, or other housing facilities for victims of domestic violence.

(5) Reappropriations in this section shall not be included in the annual funds available for determining the administrative costs authorized under RCW 43.185.050.

Appropriation:

State Building Construction Account—State	\$	60,000,000
Washington Housing Trust Account	\$	5,000,000
Subtotal Appropriation	\$	65,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	200,000,000
TOTAL	\$	265,000,000

NEW SECTION. Sec. 118. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Burke Museum Governance and Siting Study (00-2-012)

The reappropriation in this section is subject to the following conditions and limitations:

(1) Funds are provided for a study of the governance of the Burke museum and for an examination of the potential expansion of the museum facility including siting issues. The study shall be facilitated by the University of Washington, the department of community, trade, and economic development's tourism and economic development units, the executive director of the Washington state historical society, the city of Seattle, King county, and members of the community and businesses from various geographic regions of the state. The department shall provide a report to the legislature by June 30, 2002, outlining funding strategies for an expanded state natural history museum that recognizes the limited state resources for capital facilities programmatic enhancements, and outlines alternative funding resources and partners.

(2) The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

University of Washington Building Account—State	\$	350,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0

TOTAL \$ 350,000

NEW SECTION. Sec. 119. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Clark County Skills Center (00-4-100)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation in this section must be matched by at least \$1,300,000 from other sources.

(2) The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	350,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	350,000

NEW SECTION. Sec. 120. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Holly Park Education Center (00-4-101)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation in this section is provided solely for education space in the Holly Park housing development for South Seattle Community College.

(2) The reappropriation in this section must be matched by an equal amount from other sources.

(3) The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	500,000

NEW SECTION. Sec. 121. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

County Public Facility Construction (00-2-010)

The reappropriations in this section shall be used solely for financial assistance to distressed counties that have experienced extraordinary costs due to the location of a major new business facility or the substantial expansion of an existing business facility in the county. The entire reappropriation from the state building construction account shall be provided as a grant to support the Grays Harbor water system project and is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	3,500,000
Distressed County Facilities Construction Loan		
Account—State	\$	2,619,000
Subtotal Reappropriation	\$	6,119,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,119,000

NEW SECTION. Sec. 122. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT
Community Economic Revitalization (CERB) (86-1-001)

Reappropriation:

Public Works Assistance Account—State	\$	655,517
Public Facility Construction Loan		
Revolving Account—State	\$	4,868,347
Subtotal Reappropriation	\$	5,523,864
Prior Biennia (Expenditures)	\$	7,433,892
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	12,957,756

NEW SECTION. Sec. 123. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT
Community Economic Revitalization (CERB)(00-2-001)

The reappropriation in this section from the public facilities construction loan revolving account is subject to the following conditions and limitations:

- (1) The department shall ensure that all funds transferred from the public works assistance account into the public facility construction loan revolving account during the 1999-2001 biennium are used only for loans to local governments.
- (2) The department shall ensure that all principal and interest payments from these loans are paid into the public works assistance account.

Reappropriation:

Public Facility Construction Loan Revolving		
Account—State	\$	5,519,054
Prior Biennia (Expenditures)	\$	1,121,946
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,641,000

NEW SECTION. Sec. 124. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT
Community Economic Revitalization (CERB) (02-4-003)

The appropriation in this section is subject to the following conditions and limitations:

(1) Appropriations from the public facility construction loan revolving account shall be used solely to provide loans to eligible local governments and grants to the extent permissible by law. The department shall ensure that all principal and interest payments from loans made on moneys from this account are paid into this account.

(2) By December 15, 2002, the office of financial management shall make recommendations to the appropriate fiscal committees of the legislature on a permanent funding source for the CERB program.

Appropriation:

Public Facility Construction Loan Revolving	
Account—State	\$ 2,275,000
State Building Construction Account—State	\$ 3,000,000
Subtotal Appropriation	\$ 5,275,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 5,275,000

NEW SECTION. Sec. 125. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Drinking Water Assistance Program (98-2-008)

The reappropriation in this section is subject to the following conditions and limitations:

(1) Funding from the state public works trust fund program shall be matched with federal sources to improve the quality of drinking water in the state, and shall be used solely for projects that achieve the goals of the federal safe drinking water act.

(2) The department shall report to the appropriate committees of the legislature by January 1, 2002, on the progress of the program, including administrative and technical assistance procedures, the application process and funding priorities.

Reappropriation:

Drinking Water Assistance Account—State	\$ 3,926,937
Prior Biennia (Expenditures)	\$ 13,722,063
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 17,649,000

NEW SECTION. Sec. 126. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Drinking Water Assistance Program (00-2-007)

The reappropriation in this section is subject to the following conditions and limitations:

(1) Funding from the state public works trust fund program shall be matched with new federal sources to improve the quality of drinking water in the state, and

shall be used solely for projects that achieve the goals of the federal safe drinking water act.

(2) The department shall report to the appropriate committees of the legislature by January 1, 2002, on the progress of the program, including administrative and technical assistance procedures, the application process, and funding priorities.

Reappropriation:

Drinking Water Assistance Account—State	\$	7,700,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,700,000

NEW SECTION. Sec. 127. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Drinking Water Assistance Program (02-4-008)

The appropriation in this section is subject to the following conditions and limitations:

(1) Funding from the state public works trust fund program shall be matched with new federal sources to improve the quality of drinking water in the state, and shall be used solely for projects that achieve the goals of the federal safe drinking water act.

(2) The department shall report to the appropriate committees of the legislature by January 1, 2002, on the progress of the program, including administrative and technical assistance procedures, the application process, and funding priorities.

Appropriation:

Drinking Water Assistance Account—State	\$	7,700,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	30,800,000
TOTAL	\$	38,500,000

NEW SECTION. Sec. 128. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Public Works Trust Fund (94-2-001)

Reappropriation:

Public Works Assistance Account—State	\$	75,159,028
Prior Biennia (Expenditures)	\$	68,460,146
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	143,619,174

NEW SECTION. Sec. 129. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Public Works Trust Fund (00-2-002)

Reappropriation:

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Public Works Assistance Account—State	\$	143,971,288
Prior Biennia (Expenditures)	\$	59,178,712
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	203,150,000

NEW SECTION. Sec. 130. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Public Works Trust Fund (01-H-001)

Reappropriation:

Public Works Assistance Account—State	\$	93,593,068
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	93,593,068

NEW SECTION. Sec. 131. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Public Works Trust Fund (02-4-013)

The appropriation in this section is subject to the following conditions and limitations:

\$20,000,000 of the general fund federal appropriation is provided solely for infrastructure projects that will improve water quality and benefit salmon. Projects should be designed to have immediate benefits to water quality and salmon as alternatives to habitat acquisition and improvements. The public works board is authorized and directed to seek funding through the Northwest power planning council, the conservation and reinvestment act, and other federal funding sources to supplement existing loan programs with grants or loans for water quality projects. The public works board shall utilize existing programs within chapter 43.155 RCW to distribute these additional grants or loans, with an emphasis on projects providing immediate benefits to water quality and salmon habitat. For the purposes of this section, the public works board may utilize federal funds as grants in conjunction with loans from chapter 43.155 RCW.

Appropriation:

Public Works Assistance Account—State	\$	230,300,000
General Fund—Federal	\$	20,000,000
Subtotal Appropriation	\$	250,300,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,215,700,000
TOTAL	\$	1,466,000,000

NEW SECTION. Sec. 132. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Seattle Center Redevelopment (01-S-001)

Appropriation:

State Building Construction Account—State	\$	2,000,000
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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 133. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT
Fort Vancouver National Historic Reserve (01-S-002)

Appropriation:

State Building Construction Account—State	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 134. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT
Chewelah Peak Environmental Learning Center (01-S-003)

Appropriation:

State Building Construction Account—State	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 135. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT
Cancer Research Facility Grant (01-S-005)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided as a grant for equipment and facilities improvements for a prostate cancer research project at the University of Washington medical center. The appropriation shall be matched by an equal amount from nonstate sources.

Appropriation:

State Building Construction Account—State	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 136. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT
Fox Theater Project (01-S-006)

Appropriation:

State Building Construction Account—State	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 137. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Des Moines Beach Park - Structure Relocation (01-S-010)

Appropriation:

State Building Construction Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	250,000

NEW SECTION. Sec. 138. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Upper Kittitas County, Emergency Management Service Facility (01-S-16)

The appropriation in this section is subject to the following conditions and limitations: Funds are provided as a matching grant for enhanced emergency services related to highway travel and incidental local needs. The funds shall be retained in allotment reserve until the office of financial management approves a plan submitted by the recipient organization for the generation of matching funds and the provision for emergency services needs on Interstate 90. The office of financial management shall identify the recipient entity or organization that is best suited to provide enhanced emergency services for the Cle Elum, I-90 region.

Appropriation:

State Building Construction Account—State	\$	920,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	920,000

NEW SECTION. Sec. 139. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Republic Baseball and Softball Fields (01-H-002)

Appropriation:

State Building Construction Account—State	\$	30,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	30,000

NEW SECTION. Sec. 140. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Nevitt Pool Renovation (01-H-003)

Appropriation:

State Building Construction Account—State	\$	70,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	70,000

NEW SECTION. Sec. 141. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Lake Forest Park Elementary School - Americans with Disabilities Act Equipment (01-S-015)

Appropriation:

State Building Construction Account—State	\$	25,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	25,000

NEW SECTION. Sec. 142. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

West Central Community Center (01-S-016)

Appropriation:

State Building Construction Account—State	\$	100,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	100,000

NEW SECTION. Sec. 143. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Milton Skate Park (01-H-016)

Appropriation:

State Building Construction Account—State	\$	117,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	117,000

NEW SECTION. Sec. 144. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Pierce County Fairgrounds (01-H-017)

Appropriation:

State Building Construction Account—State	\$	150,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	150,000

NEW SECTION. Sec. 145. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Clark Lake Park (01-S-013)

Appropriation:

State Building Construction Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	0

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Future Biennia (Projected Costs)	\$	0
TOTAL	\$	250,000

NEW SECTION. Sec. 146. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Coastal Erosion Grants (01-S-019)

The appropriation in this section is subject to the following conditions and limitations: Funds are provided for coastal erosion grants in southwest Washington in partnership with other state and federal funds. Grays Harbor county is the lead agency in the administration of the grants.

Appropriation:

State Building Construction Account—State	\$	1,250,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,250,000

NEW SECTION. Sec. 147. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Budget System Improvements (02-1-004)

The appropriation in this section is subject to the following conditions and limitations:

Funds are provided solely for the following studies and activities:

- (1) Budget evaluation study team reviews of project proposals;
- (2) The compilation of benchmarking data and the development of standards for construction costs;
- (3) Contracts associated with a higher education facility financial responsibility study to be conducted in conjunction with the higher education coordinating board and the state board for community and technical colleges that shall provide guidelines for project cost sharing between state and federal funds, institutional funds, student fees and charges, and private donations; and
- (4) Other studies and system improvements planned in consultation with the house capital budget committee and the senate committee on ways and means.

Appropriation:

State Building Construction Account—State	\$	200,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,200,000
TOTAL	\$	1,400,000

NEW SECTION. Sec. 148. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Residential Habilitation Study (01-S-002)

The appropriation in this section is subject to the following conditions and limitations: The office of financial management shall enter into a contract with the joint legislative audit and review committee to conduct a study of the possible

alternative uses of the land and facilities currently used by state operated residential habilitation centers and nursing facilities for persons with developmental disabilities.

Appropriation:

Charitable, Educational, Penal and Reformatory Institutions Account—State .. \$	100,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 100,000

NEW SECTION. Sec. 149. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Higher Education Condition Assessment (01-H-019)

The appropriations in this section are subject to the following conditions and limitations:

(1) The office of financial management shall contract with the joint legislative audit and review committee to conduct a study of higher education facility conditions, maintenance, repair, and renovation. The study shall assess the relationship between facility management and health and safety requirements, educational program delivery priorities, operating costs, and long-term capital costs. The study shall evaluate, and make recommendations on, the following topics:

- (a) The capability and reliability of current management systems and controls, including facility condition assessment processes and their results;
- (b) Current maintenance, repair, and renovation planning and budgeting processes;
- (c) Comparable methods across institutions for developing maintenance, repair, and renovation backlog lists and setting priorities for associated budget requests;
- (d) Appropriate operating and capital budgeting processes to provide both means and incentives for effective facility stewardship; and
- (e) Options for statewide, long-term facility maintenance, repair, and renovation investment strategies that are linked to anticipated future demands for public higher education enrollments and associated educational program delivery priorities.

(2) In conducting the study under this section, the joint legislative audit and review committee shall work closely with the appropriate legislative policy and fiscal committees and shall consult with the office of financial management, the higher education coordinating board, the state board for community and technical colleges, and, as necessary, with individual public institutions of higher education. The committee may contract for consulting services in conducting this study. The committee shall provide a preliminary report to the appropriate legislative committees by December 15, 2001, and a final report by September 15, 2002.

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Appropriation:

Eastern Washington Capital Projects		
Account—State	\$	35,000
The Evergreen State College Capital Projects		
Account—State	\$	35,000
The Western Washington University Capital Projects		
Account—State	\$	35,000
The Central Washington University Capital Projects		
Account—State	\$	35,000
Washington State University Building		
Account—State	\$	55,000
University of Washington Building		
Account—State	\$	55,000
State Building Construction Account—State	\$	250,000
Subtotal Appropriation	\$	500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	500,000

NEW SECTION. Sec. 150. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Merrill Hall Fire Repairs - Horticulture Building (01-H-020)

The appropriation in this section is subject to the following conditions and limitations: In addition to the funds provided in this section, the University of Washington may utilize appropriated funds for minor works allotted under section 905 of this act to address emergent needs for Merrill Hall.

Appropriation:

State Building Construction Account—State	\$	3,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,000,000

NEW SECTION. Sec. 151. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

East Plaza Repairs (96-1-002)

The appropriations in this section are subject to the following conditions and limitations: \$16,000,000 of the appropriation from the state vehicle parking account—state is subject to the approval of a reimbursable bond for this project in a bond bill; if the bond bill is not enacted by June 30, 2001, authorizing bonds for this project, the appropriation from the state vehicle parking account—state in this section shall lapse.

Reappropriation:

Capitol Building Construction Account—State	\$	900,000
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Appropriation:

State Vehicle Parking Account—State	\$	19,000,000
Prior Biennia (Expenditures)	\$	21,667,150
Future Biennia (Projected Costs)	\$	14,200,000
TOTAL	\$	55,767,150

NEW SECTION. Sec. 152. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Transportation Building Preservation (98-1-008)

Reappropriation:

Thurston County Capital Facilities		
Account—State	\$	350,000
Prior Biennia (Expenditures)	\$	1,884,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,234,000

NEW SECTION. Sec. 153. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Transportation Building Preservation - Elevator (02-1-008)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Thurston County Capital Facilities		
Account—State	\$	1,001,250
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	19,098,000
TOTAL	\$	20,099,250

NEW SECTION. Sec. 154. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Heritage Park/Capitol Lake (00-1-007)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Capitol Building Construction		
Account—State	\$	250,000
State Building Construction Account—State	\$	700,000
Subtotal Reappropriation	\$	950,000
Prior Biennia (Expenditures)	\$	2,650,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,600,000

NEW SECTION. Sec. 155. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Héritage Park Development (01-H-004)

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Appropriation:

Capitol Building Construction		
Account—State	\$	2,100,000
Prior Biennia (Expenditures)	\$	10,765,000
Future Biennia (Projected Costs)	\$	6,358,000
TOTAL	\$	19,223,000

NEW SECTION. Sec. 156. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Legislative Building: Safety and Infrastructure (98-1-005)

Reappropriation:

Capitol Building Construction Account—State	\$	660,000
Thurston County Capital Facilities		
Account—State	\$	440,000
Subtotal Reappropriation	\$	1,100,000
Prior Biennia (Expenditures)	\$	4,210,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,310,000

NEW SECTION. Sec. 157. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Legislative Building: Rehabilitation (01-1-008)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

(2) The department of general administration, in consultation with the legislature, the governor, and the state capitol committee, shall immediately begin planning and initiate an accelerated design/construction schedule for the renovation of the state legislative building as follows:

(a) No new permanent buildings shall be constructed, and the department shall follow standards for historic preservation;

(b) The goal shall be to reoccupy the building in time for the 2005 legislative session;

(c) The department shall make temporary accommodations for the displacement of legislators and legislative staff in the John L. O'Brien building, the Pritchard building, the Cherberg building, and the Newhouse building, and may use modular space. Decisions on the use of space for the Pritchard building will be made by legislative leadership by July 1, 2001, to make it available for use by the legislature by April 1, 2002;

(d) The department shall temporarily move the state library from the Pritchard building by October 1, 2001, and, if needed, the department shall lease storage facilities in Thurston county for books and other library assets;

(e) The department shall make temporary accommodations for other tenants of the state legislative building as follows:

(i) The office of the insurance commissioner shall be temporarily moved to leased space in Thurston county;

(ii) The office of the governor shall be moved to the Insurance building;

(iii) The primary office of the code reviser and the lieutenant governor shall be moved to a location on the west capitol campus; and

(iv) The other tenants, including the office of the state treasurer, the office of the state auditor, and the office of the secretary of state shall be moved to leased space in Thurston county;

(f) The state legislative building shall be completely vacated by the office of the governor, the office of the secretary of state, the office of treasurer, and the office of the state auditor by November 1, 2001, and by the legislature fourteen days after the end of the 2002 legislative session to make it available for renovation by the contractor; and

(g) State contracts for the legislative building renovation, Nisqually earthquake repair, and future earthquake mitigation shall conform to all rules, regulations, and requirements of the federal emergency management agency.

(3) The state capitol committee, in conjunction with a legislative building renovation oversight committee consisting of two members from both the house of representatives and senate, each appointed by legislative leadership, shall periodically advise the department regarding the rehabilitation, the receipt and use of private funds, and other issues that may arise.

(4) The department shall report on the progress of accelerated planning, design, and relocations related to the renovation of the state legislative building to the legislature and the governor by July 15, 2001, and November 15, 2001, and shall consult with the legislature and governor on major decisions including placement of the cafeteria and exiting stairs in the legislative building by August 31, 2001.

(5) In the event of any conflicts between the conditions and limitations in this section and section 3, chapter 123, Laws of 2001, the conditions and limitations of this section shall apply.

Reappropriation:

Capitol Building Construction Account—State	\$	2,000,000
Thurston County Capital Facilities		
Account—State	\$	2,500,000
Subtotal Reappropriation	\$	4,500,000

Appropriation:

Capitol Historic District Construction		
Account—State	\$	81,681,000
Thurston County Capital Facilities		
Account—State	\$	1,300,000
Subtotal Appropriation	\$	82,981,000

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Prior Biennia (Expenditures)	\$	1,000,000
Future Biennia (Projected Costs)	\$	2,300,000
TOTAL	\$	90,781,000

NEW SECTION. Sec. 158. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Legislative Buildings - O'Brien and Newhouse Building Improvements (01-H-021)

Appropriation:

Capitol Building Construction Account—State	\$	1,000,000
Thurston County Capital Facilities		
Account—State	\$	1,000,000
Subtotal Appropriation	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 159. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Emergency/Small Repairs and Improvements (02-1-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Capitol Building Construction Account—State	\$	100,000
State Building Construction Account—State	\$	400,000
Thurston County Capital Facilities		
Account—State	\$	900,000
Subtotal Appropriation	\$	1,400,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	6,500,000
TOTAL	\$	7,900,000

NEW SECTION. Sec. 160. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Thurston County Facilities: Preservation (00-1-009)

Reappropriation:

Thurston County Capital Facilities		
Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	1,450,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,700,000

NEW SECTION. Sec. 161. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Thurston County Facilities: Preservation (02-1-002)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Capitol Building Construction Account—State	\$	1,110,000
State Building Construction Account—State	\$	1,860,000
Thurston County Capital Facilities		
Account—State	\$	3,861,000
Subtotal Appropriation	\$	6,831,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	35,636,000
TOTAL	\$	42,467,000

NEW SECTION. Sec. 162. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Capitol Campus Facilities: Preservation (00-1-003)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Capitol Building Construction Account—State	\$	900,000
State Building Construction Account—State	\$	75,000
Thurston County Capital Facilities		
Account—State	\$	1,025,000
Subtotal Reappropriation	\$	2,000,000
Prior Biennia (Expenditures)	\$	4,140,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,140,000

NEW SECTION. Sec. 163. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Capitol Campus Infrastructure Preservation (02-1-003)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Capitol Building Construction Account—State	\$	75,000
State Building Construction Account—State	\$	1,750,000
Subtotal Appropriation	\$	1,825,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	24,050,000
TOTAL	\$	25,875,000

NEW SECTION. Sec. 164. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

North Cascades Gateway Center: Preservation (00-1-010)

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Reappropriation:

General Fund—Private/Local	\$	210,000
Prior Biennia (Expenditures)	\$	397,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	607,000

NEW SECTION. Sec. 165. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

North Cascades Gateway Center Minor Works (02-1-004)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

General Fund/Private/Local	\$	500,000
State Building Construction Account—State	\$	850,000
Subtotal Appropriation	\$	1,350,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	6,685,000
TOTAL	\$	8,035,000

NEW SECTION. Sec. 166. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Cherberg Building: Rehabilitation (02-1-005)

Appropriation:

Thurston County Capital Facilities		
Account—State	\$	695,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,000,000
TOTAL	\$	7,695,000

NEW SECTION. Sec. 167. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Pritchard Library: Rehabilitation (02-1-006)

Appropriation:

Thurston County Capital Facilities		
Account—State	\$	300,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,000,000
TOTAL	\$	1,300,000

NEW SECTION. Sec. 168. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Infrastructure Project: Savings (02-1-999)

Projects that are completed in accordance with section 915 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State	\$	1
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1

NEW SECTION. Sec. 169. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Capitol Campus Chiller Plant and Loop (02-2-006)

Appropriation:

Capitol Building Construction Account—State	\$	50,000
State Building Construction Account—State	\$	550,000
Subtotal Appropriation	\$	600,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	21,220,000
TOTAL	\$	21,820,000

NEW SECTION. Sec. 170. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Engineering and Architectural Services (02-2-012)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section shall be used to provide those services to state agencies required by RCW 43.19.450 that are essential and mandated activities defined as core services and are included in the engineering and architectural services responsibilities and task list for general public works projects of normal complexity. The department may negotiate agreements with agencies for additional fees to manage exceptional projects including projects financed with alternative financing or for services above core services as described as optional and extra services in the task list.

Appropriation:

Capitol Building Construction Account—State	\$	220,700
Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$	772,700
State Building Construction Account—State	\$	8,057,800
Thurston County Capital Facilities Account—State	\$	386,000
Subtotal Appropriation	\$	9,437,200
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	43,049,325
TOTAL	\$	52,486,525

NEW SECTION. Sec. 171. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Isabella Bush Records Center: Expansion (02-3-001)

Appropriation:

Thurston County Capital Facilities Account—State . . . \$	344,000
Prior Biennia (Expenditures) \$	0
Future Biennia (Projected Costs) \$	0
TOTAL \$	344,000

NEW SECTION. Sec. 172. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Tumwater Office Building 1 (01-S-003)

The appropriation in this section is subject to the following conditions and limitations: Planning funds are provided to lease/develop a state office building of 150,000 to 200,000 square feet on state-owned property in Tumwater according to the terms of the agreement with the Port of Olympia when the property was acquired or within the preferred development/leasing areas in Thurston county. The building shall be constructed and financed so that agency occupancy costs will not exceed comparable private market rental rates. The comparable general office space rate shall be calculated based on the three latest Thurston county leases of new space of at least 100,000 rentable square feet adjusted for inflation as determined by the department of general administration. The department of general administration shall coordinate with potential state agency tenants whose current lease expire near the time of occupancy so that buyout of current leases do not add to state expense.

Appropriation:

State Building Construction Account—State \$	200,000
Prior Biennia (Expenditures) \$	0
Future Biennia (Projected Costs) \$	0
TOTAL \$	200,000

NEW SECTION. Sec. 173. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Office Building Two Rehabilitation (98-1-007)

Reappropriation:

Thurston County Capital Facilities Account— State \$	2,000,000
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Appropriation:

Thurston County Capital Facilities Account— State \$	5,850,000
Prior Biennia (Expenditures) \$	9,250,000
Future Biennia (Projected Costs) \$	5,310,000
TOTAL \$	22,410,000

NEW SECTION. Sec. 174. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

General Administration Building Renovation or Redevelopment (00-1-004)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—	
State	\$ 150,000
Prior Biennia (Expenditures)	\$ 850,000
Future Biennia (Projected Costs)	\$ 7,635,000
TOTAL	\$ 8,635,000

NEW SECTION. Sec. 175. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Americans with Disabilities Act: Pool (00-1-011)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The moneys provided in this section shall be solely allocated to agencies and institutions, except for the state community and technical colleges, for improvements to state-owned facilities for program access enhancements.

(2) No money appropriated in this section or in any section specifically referencing this section shall be expended unless the department of general administration has reviewed and approved the cost estimates for the project. The department of general administration shall implement an agency request and evaluation procedure similar to the one adopted in the 1999-2001 biennium for distribution of funds.

(3) No moneys appropriated in this section shall be available to institutions of higher education to modify dormitories.

Reappropriation:

State Building Construction Account—State	\$ 150,000
Prior Biennia (Expenditures)	\$ 2,850,000
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 3,000,000

NEW SECTION. Sec. 176. FOR THE MILITARY DEPARTMENT

Minor Works to Support Federal Construction Projects (98-1-001)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

General Fund—Federal	\$ 280,913
State Building Construction Account—State	\$ 305,193
Subtotal Reappropriation	\$ 586,106

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Prior Biennia (Expenditures)	\$	5,766,394
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,352,500

NEW SECTION. Sec. 177. FOR THE MILITARY DEPARTMENT

Minor Works to Support Federal Construction Projects (02-1-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

General Fund—Federal	\$	10,248,000
State Building Construction Account—State	\$	2,277,000
Subtotal Appropriation	\$	12,525,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	62,340,000
TOTAL	\$	74,865,000

NEW SECTION. Sec. 178. FOR THE MILITARY DEPARTMENT

Yakima Readiness Center: Construction (98-2-001)

The appropriations in this section are subject to the following conditions and limitations:

(1) Funds expended on this project for off-site utility infrastructure that may include the provision of electricity, natural gas service, water service, or sewer service shall be for the benefit of the state. Entities that subsequently connect or use this off-site utility infrastructure shall reimburse the state at a rate proportional to their use. The department shall develop policies and procedures to ensure that this reimbursement occurs.

(2) The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

(3) No money shall be committed or expended from the state building construction account until the general fund—federal construction funds are received and allotted in accordance with section 903 of this act.

(4) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the department will file quarterly project progress reports with the office of financial management. These reports will contain local, state, and federal funding reconciliations and balance sheets for this project and will detail any federal intentions on future readiness center projects.

Reappropriation:

General Fund—Federal	\$	1,523,000
State Building Construction Account—State	\$	1,520,966
Subtotal Reappropriation	\$	3,043,966

Appropriation:

General Fund—Federal	\$	6,522,000
State Building Construction Account—State	\$	653,000
Subtotal Appropriation	\$	7,175,000

Prior Biennia (Expenditures)	\$	11,737,876
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	21,956,842

NEW SECTION. Sec. 179. FOR THE MILITARY DEPARTMENT
 Centralia Readiness Center: Preservation (00-1-030)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	350,000
Prior Biennia (Expenditures)	\$	700,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,050,000

NEW SECTION. Sec. 180. FOR THE MILITARY DEPARTMENT
 Preservation Projects-Statewide (02-1-006)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	1,478,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,116,000
TOTAL	\$	8,594,000

NEW SECTION. Sec. 181. FOR THE MILITARY DEPARTMENT
 Infrastructure Projects-Savings (02-1-009)

Projects that are completed in accordance with section 915 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State	\$	1
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1

NEW SECTION. Sec. 182. FOR THE MILITARY DEPARTMENT
 Spokane Combined Public Safety Training Center (02-2-003)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

(2) No money shall be committed or expended from the state building construction account until the general fund—federal construction funds are received and allotted in accordance with section 903 of this act.

(3) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the department will file quarterly project progress reports with the office of financial management. These reports will contain local, state, and federal funding reconciliations and balance sheets for this project and will detail any federal intentions on future readiness center projects.

Appropriation:

General Fund—Federal	\$	9,996,000
State Building Construction Account—State	\$	5,267,000
Subtotal Appropriation	\$	15,263,000
Prior Biennia (Expenditures)	\$	7,899,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	23,162,000

**NEW SECTION. Sec. 183. FOR THE MILITARY DEPARTMENT
Bremerton Readiness Center (02-2-004)**

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

(2) No money shall be committed or expended from the state building construction account until the general fund—federal construction funds are received and allotted in accordance with section 903 of this act.

(3) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the department will file quarterly project progress reports with the office of financial management. These reports will contain local, state, and federal funding reconciliations and balance sheets for this project and will detail any federal intentions on future readiness center projects.

Appropriation:

General Fund—Federal	\$	5,446,000
State Building Construction Account—State	\$	4,728,000
Subtotal Appropriation	\$	10,174,000
Prior Biennia (Expenditures)	\$	1,000,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,174,000

**NEW SECTION. Sec. 184. FOR THE MILITARY DEPARTMENT
Fort Lewis Readiness Center (02-2-010)**

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

General Fund—Federal	\$	19,941,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	19,941,000

**NEW SECTION. Sec. 185. FOR THE MILITARY DEPARTMENT
Combined Support Maintenance Shop (02-2-011)**

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

General Fund—Federal	\$	17,032,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	17,032,000

**NEW SECTION. Sec. 186. FOR THE MILITARY DEPARTMENT
Combined Regional Training Institute (02-2-012)**

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

General Fund—Federal	\$	14,712,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	14,712,000

**NEW SECTION. Sec. 187. FOR THE MILITARY DEPARTMENT
Phase 2 Yakima Maneuver and Training Equipment Site (02-2-013)**

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

General Fund—Federal	\$	11,304,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,304,000

**NEW SECTION. Sec. 188. FOR THE STATE CONVENTION AND
TRADE CENTER**

Seattle Convention Center: Replacement Housing (00-2-002)

Reappropriation:

State Convention and Trade Center		
Account—State	\$	2,745,000
Prior Biennia (Expenditures)	\$	2,255,000
Future Biennia (Projected Costs)	\$	0

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TOTAL \$ 5,000,000

NEW SECTION. Sec. 189. FOR THE STATE CONVENTION AND TRADE CENTER

Repairs and Improvements (01-S-001)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$545,000 is provided for payment to the department of transportation for fire control and other improvements to the I-90 tunnel.

(2) \$2,650,000 is provided for chiller and window replacement and roof repairs.

Appropriation:

State Convention and Trade Center		
Account—State	\$	3,195,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,195,000

**PART 2
HUMAN SERVICES**

NEW SECTION. Sec. 201. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Site Improvements - Minor Works (02-1-005)

Appropriation:

State Building Construction Account—State	\$	200,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	600,000
TOTAL	\$	800,000

NEW SECTION. Sec. 202. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Building Omnibus Minor Works (02-1-007)

Appropriation:

State Building Construction Account—State	\$	150,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	600,000
TOTAL	\$	750,000

NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Facilities Preservation and Improvement (02-1-001)

Appropriation:

Accident Account—State	\$	325,000
Medical Aid Account—State	\$	325,000

Subtotal Appropriation	\$	650,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	2,700,000
TOTAL	\$	3,350,000

NEW SECTION. Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Maple Lane School: Wastewater Treatment Plant (94-1-201)

Reappropriation:

State Building Construction Account—State	\$	339,945
Prior Biennia (Expenditures)	\$	3,767,109
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,107,054

NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Crisis Residential Centers (96-1-900)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	350,000
Prior Biennia (Expenditures)	\$	2,450,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,800,000

NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Echo Glen Children's Center - Site: Infrastructure Improvements (96-2-229)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,215,229
Prior Biennia (Expenditures)	\$	1,312,523
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,527,752

NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Green Hill School Redevelopment: 416 Bed Institution (96-2-230)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,853,668
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Prior Biennia (Expenditures)	\$	14,995,479
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	16,849,147

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Medical Lake Wastewater Treatment Facility (96-1-301)

Reappropriation:

State Building Construction Account—State	\$	921,597
Prior Biennia (Expenditures)	\$	8,459,550
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	9,381,147

NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital: Legal Offender Unit (98-2-002)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	2,365,463
Prior Biennia (Expenditures)	\$	15,330,537
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	17,696,000

NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Echo Glen Children's Center - Vocational Education: Construction (98-2-211)

Reappropriation:

State Building Construction Account—State	\$	298,838
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Appropriation:

State Building Construction Account—State	\$	2,916,667
Prior Biennia (Expenditures)	\$	156,162
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,371,667

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Legal Offender Unit (98-2-052)

Reappropriation:

State Building Construction Account—State	\$	25,829,040
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Appropriation:

State Building Construction Account—State	\$	2,059,000
Prior Biennia (Expenditures)	\$	22,406,301

Future Biennia (Projected Costs)	\$	0
TOTAL	\$	50,294,341

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Maple Lane: 124 Bed Housing (98-2-216)

Reappropriation:

State Building Construction Account—State	\$	126,545
Prior Biennia (Expenditures)	\$	1,620,021
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,746,566

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Security Improvements (99-1-001)

Reappropriation:

State Building Construction Account—State	\$	487,963
Prior Biennia (Expenditures)	\$	166,037
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	654,000

NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Americans with Disabilities Act (00-9-036)

Reappropriation:

State Building Construction Account—State	\$	103,348
Prior Biennia (Expenditures)	\$	14,852
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	118,200

NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Child Study and Treatment Center - Cottages: Modifications (00-1-015)

Reappropriation:

State Building Construction Account—State	\$	1,376,682
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Appropriation:

State Building Construction Account—State	\$	1,500,000
Prior Biennia (Expenditures)	\$	23,318
Future Biennia (Projected Costs)	\$	2,678,262
TOTAL	\$	5,578,262

NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

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Eastern State Hospital: Campus Renovation, Phase 5 (00-2-002)

The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State \$ 677,100

Appropriation:

State Building Construction Account—State \$ 9,154,750

Prior Biennia (Expenditures) \$ 268,150

Future Biennia (Projected Costs) \$ 0

TOTAL \$ 10,100,000

NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Echo Glen Children's Center - Eleven Cottages: Renovation (00-1-041)

Appropriation:

State Building Construction Account—State \$ 700,000

Prior Biennia (Expenditures) \$ 75,000

Future Biennia (Projected Costs) \$ 16,131,000

TOTAL \$ 16,906,000

NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Emergency and Small Repairs (00-1-006)

Reappropriation:

State Building Construction Account—State \$ 400,000

Prior Biennia (Expenditures) \$ 475,165

Future Biennia (Projected Costs) \$ 0

TOTAL \$ 875,165

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Statewide: Emergency and Small Repair Projects (02-1-042)

Appropriation:

State Building Construction Account—State \$ 750,000

Prior Biennia (Expenditures) \$ 0

Future Biennia (Projected Costs) \$ 3,609,000

TOTAL \$ 4,359,000

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Lakeland Village: Cottage Renovation (00-1-002)

Reappropriation:

State Building Construction Account—State \$ 425,057

Prior Biennia (Expenditures)	\$	24,943
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	450,000

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Maple Lane School - Multi-Services Building: Renovation (00-1-003)

Reappropriation:

State Building Construction Account—State	\$	640,000
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Appropriation:

State Building Construction Account—State	\$	300,000
Prior Biennia (Expenditures)	\$	60,000
Future Biennia (Projected Costs)	\$	5,550,000
TOTAL	\$	6,550,000

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works: Preservation (00-1-018)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Charitable, Educational, Penal, and Reformatory		
Institutions Account—State	\$	3,200,000
State Building Construction Account—State	\$	3,700,000
Subtotal Reappropriation	\$	6,900,000
Prior Biennia (Expenditures)	\$	3,459,966
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	10,359,966

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Statewide: Omnibus Preservation Projects (02-1-069)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Charitable, Educational, Penal, and Reformatory		
Institutions Account—State	\$	2,700,000
State Building Construction Account—State	\$	2,800,000
Subtotal Appropriation	\$	5,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	42,253,000
TOTAL	\$	47,753,000

NEW SECTION. Sec. 224. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works: Program (00-2-019)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	148,725
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,148,725

NEW SECTION. Sec. 225. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Statewide: Omnibus Programmatic Projects (02-2-070)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Charitable, Educational, Penal, and Reformatory		
Institutions Account—State	\$	500,000
State Building Construction Account—State	\$	500,000
Subtotal Appropriation	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	4,812,000
TOTAL	\$	5,812,000

NEW SECTION. Sec. 226. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Mission Creek Youth Camp - Main Building: Renovation Phase 2 (00-1-010)

Reappropriation:

State Building Construction Account—State	\$	1,642,973
Prior Biennia (Expenditures)	\$	357,027
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 227. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center - Secure Facility: Construction (00-2-001)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act. To the extent that the department projects savings and efficiencies through design or scope changes, funds appropriated in this section may be transferred to the statewide omnibus preservation project (02-1-069) for expenditure for minor works projects in accordance with the provisions of section 905 of this act.

Reappropriation:

State Building Construction Account—State	\$	13,100,000
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Appropriation:

State Building Construction Account—State	\$	47,665,000
Prior Biennia (Expenditures)	\$	3,400,000
Future Biennia (Projected Costs)	\$	5,970,000
TOTAL	\$	70,135,000

NEW SECTION. Sec. 228. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center - Less Restrictive Alternative (02-2-075)

Appropriation:

State Building Construction Account—State	\$	3,207,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,207,000

NEW SECTION. Sec. 229. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital - Activity Therapy Building: Renovation (02-1-060)

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	150,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	5,765,000
TOTAL	\$	5,915,000

NEW SECTION. Sec. 230. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Green Hill School - Entry/Security/Visitation: Addition (02-2-064)

Appropriation:

State Building Construction Account—State	\$	400,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	3,000,000
TOTAL	\$	3,400,000

NEW SECTION. Sec. 231. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Green Hill School - Health Center Building: Renovation (02-1-061)

Appropriation:

State Building Construction Account—State	\$	400,000
Prior Biennia (Expenditures)	\$	0

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Future Biennia (Projected Costs)	\$	4,000,000
TOTAL	\$	4,400,000

NEW SECTION. Sec. 232. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Green Hill School - Intensive Management Unit: Renovation (02-1-054)

Appropriation:

State Building Construction Account—State	\$	3,200,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,200,000

NEW SECTION. Sec. 233. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Infrastructure Project: Savings (00-1-053)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	563,057
Prior Biennia (Expenditures)	\$	436,944
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,000,001

NEW SECTION. Sec. 234. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Infrastructure Project: Savings (02-1-053)

Projects that are completed in accordance with section 915 of this act, may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State	\$	1
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1

NEW SECTION. Sec. 235. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Capital Project Management (02-1-041)

Appropriation:

Charitable, Penal, Educational, and Reformatory Institutions Account—State . . .	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	9,625,800
TOTAL	\$	11,625,800

NEW SECTION. Sec. 236. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Rainier School - Laundry: Equipment (00-1-001)

Reappropriation:

State Building Construction Account—State	\$	435,602
Prior Biennia (Expenditures)	\$	14,398
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	450,000

NEW SECTION. Sec. 237. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Statewide: Facilities Condition Assessment and Preservation Plan (02-1-047)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$	185,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	800,000
TOTAL	\$	985,000

NEW SECTION. Sec. 238. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Statewide: Hazardous Materials Abatement (02-1-043)

Appropriation:

State Building Construction Account—State	\$	300,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,430,000
TOTAL	\$	1,730,000

NEW SECTION. Sec. 239. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Child Care Facilities for Students and State Employees (01-S-003)

Funds are provided to recapitalize child care facilities grant programs. These funds may be used by state agencies and higher education institutions to provide child care facilities for employees and students. Grants to state agencies will be provided and administered per chapter 41.04 RCW. The department shall develop guidelines for grant application for student child care facilities at institutions of higher education in conjunction with the office of financial management, the higher education coordinating board, and the state board for community and technical colleges. Grants for higher education child care facilities will be transferred into accounts administered through chapter 28B.135 RCW.

Appropriation:

State Building Construction Account—State	\$	4,000,000
Prior Biennia (Expenditures)	\$	0

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Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,000,000

NEW SECTION. Sec. 240. FOR THE DEPARTMENT OF HEALTH
Referendum 38 (86-2-099)

Reappropriation:

State and Local Improvements Revolving Account		
(Water Supply Facilities)—State	\$	158,000
Prior Biennia (Expenditures)	\$	541,483
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	699,483

NEW SECTION. Sec. 241. FOR THE DEPARTMENT OF HEALTH
Public Health Laboratory: Repairs and Improvements (96-1-001)

Reappropriation:

State Building Construction Account—State	\$	1,292,693
Prior Biennia (Expenditures)	\$	1,203,406
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,496,099

NEW SECTION. Sec. 242. FOR THE DEPARTMENT OF HEALTH
Public Health Laboratories: Consolidation of Facilities (96-2-001)

Reappropriation:

State Building Construction Account—State	\$	1,228,332
Prior Biennia (Expenditures)	\$	4,444,719
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,673,051

NEW SECTION. Sec. 243. FOR THE DEPARTMENT OF HEALTH
Public Health Laboratory: Wastewater Treatment Systems (00-1-008)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	208,802
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	208,802

NEW SECTION. Sec. 244. FOR THE DEPARTMENT OF HEALTH
Public Health Laboratory: Chiller Plant Upgrade (02-1-004)

Appropriation:

State Building Construction Account—State	\$	2,355,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0

TOTAL \$ 2,355,000

NEW SECTION. Sec. 245. FOR THE DEPARTMENT OF HEALTH
Public Health Laboratory: Repairs and Improvements (02-1-005)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	172,400
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	2,944,200
TOTAL	\$	3,116,600

NEW SECTION. Sec. 246. FOR THE DEPARTMENT OF HEALTH
Public Health Laboratory: Biosafety Level 3 Facility (02-2-001)

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	2,231,485
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,231,485

NEW SECTION. Sec. 247. FOR THE DEPARTMENT OF HEALTH
Public Health Laboratory: C-Wing Remodel (02-2-002)

Appropriation:

State Building Construction Account—State	\$	295,900
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	295,900

NEW SECTION. Sec. 248. FOR THE DEPARTMENT OF HEALTH
Public Health Laboratory: E-Wing Remodel (02-2-003)

Appropriation:

State Building Construction Account—State	\$	295,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	295,000

NEW SECTION. Sec. 249. FOR THE DEPARTMENT OF HEALTH
Drinking Water Assistance Program (97-2-001)

The reappropriation in this section is provided solely for an interagency agreement with the department of community, trade, and economic development to make, in cooperation with the public works board, loans to local governments

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and public water systems for projects and activities to protect and improve the state's drinking water facilities and resources.

Reappropriation:

Drinking Water Assistance Account—Federal	\$	5,000,000
Prior Biennia (Expenditures)	\$	30,086,024
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	35,086,024

NEW SECTION, Sec. 250. FOR THE DEPARTMENT OF HEALTH
Drinking Water Assistance Program (02-4-004)

The appropriation in this section is provided solely for an interagency agreement with the department of community, trade, and economic development to make, in cooperation with the public works board, loans to local governments and public water systems for projects and activities to protect and improve the state's drinking water facilities and resources.

Appropriation:

Drinking Water Assistance Account—Federal	\$	24,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	77,000,000
TOTAL	\$	101,000,000

NEW SECTION, Sec. 251. FOR THE DEPARTMENT OF VETERANS' AFFAIRS

Retsil Veterans' Home: Minor Works Mechanical/Electrical/HVAC (02-1-001)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$	1,070,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	777,750
TOTAL	\$	1,847,750

NEW SECTION, Sec. 252. FOR THE DEPARTMENT OF VETERANS' AFFAIRS

Orting Soldiers' Home: Minor Works Mechanical/Electrical/HVAC (02-1-002)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$	127,736
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,060,835
TOTAL	\$	1,188,571

NEW SECTION. Sec. 253. FOR THE DEPARTMENT OF VETERANS' AFFAIRS

Orting Soldiers' Home: Minor Works Buildings (02-1-004)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State	\$ 140,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 1,813,590
TOTAL	\$ 1,953,590

NEW SECTION. Sec. 254. FOR THE DEPARTMENT OF VETERANS' AFFAIRS

Emergency Funds (02-1-007)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State	\$ 500,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 500,000

NEW SECTION. Sec. 255. FOR THE DEPARTMENT OF VETERANS' AFFAIRS

Retsil Veterans' Home: Steam Plant Seismic Upgrade (02-1-010)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State	\$ 1,391,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 1,391,000

NEW SECTION. Sec. 256. FOR THE DEPARTMENT OF VETERANS' AFFAIRS

240 Bed Nursing Facility (02-2-008)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section, combined with the authorities granted in section 907(5) of this act, for a total of \$16.5 million, are authorized to apply for a matching grant from the federal department of veterans' affairs.

(2) The department shall not commit or expend funds from these authorities until the federal construction grant has been certified and is available to Washington state for the purpose of constructing replacement nursing care beds.

(3) By September 1, 2002, the department shall submit recommendations to the appropriate committees of the legislature on a transition plan and program for the Orting soldiers' home, including costs and funding assumptions.

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Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State	\$ 3,000,000
State Building Construction Account—State	\$ 1,500,000
Subtotal Appropriation	\$ 4,500,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 30,477,200
TOTAL	\$ 34,977,200

NEW SECTION. Sec. 257. FOR THE DEPARTMENT OF CORRECTIONS

Expand Coyote Ridge Corrections Center (98-2-011)

Reappropriation:

State Building Construction Account—State	\$ 447,348
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Appropriation:

State Building Construction Account—State	\$ 1,150,000
Prior Biennia (Expenditures)	\$ 802,069
Future Biennia (Projected Costs)	\$ 227,763,000
TOTAL	\$ 230,162,417

NEW SECTION. Sec. 258. FOR THE DEPARTMENT OF CORRECTIONS

Clallam Bay Corrections Center - Youthful Offender Facility Improvements (97-2-005)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$ 1,170,000
Prior Biennia (Expenditures)	\$ 3,330,000
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 4,500,000

NEW SECTION. Sec. 259. FOR THE DEPARTMENT OF CORRECTIONS

Stafford Creek Corrections Center Construction (98-2-001)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

General Fund—Federal	\$ 7,648,233
State Building Construction Account—State	\$ 16,389,590
Subtotal Reappropriation	\$ 24,037,823
Prior Biennia (Expenditures)	\$ 172,988,377

Future Biennia (Projected Costs)	\$	0
TOTAL	\$	197,026,200

NEW SECTION. Sec. 260. FOR THE DEPARTMENT OF CORRECTIONS

Monroe Corrections Center - Expand Special Offender Unit (98-2-010)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	5,436,000
Prior Biennia (Expenditures)	\$	37,499,280
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	42,935,280

NEW SECTION. Sec. 261. FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center for Women - Special Needs and Reception Unit (96-2-006)

The reappropriation in this section is subject to the following conditions and limitations: To the extent that funds appropriated in this section are not needed to complete the project, up to \$3,000,000 may be transferred to the statewide omnibus preservation project (02-1-015) for minor work projects in accordance with the provisions of section 905 of this act.

Reappropriation:

State Building Construction Account—State	\$	18,336,885
Prior Biennia (Expenditures)	\$	6,463,115
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	24,800,000

NEW SECTION. Sec. 262. FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center: Infrastructure Evaluation (99-2-005)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	310,438
Prior Biennia (Expenditures)	\$	39,562
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	350,000

NEW SECTION. Sec. 263. FOR THE DEPARTMENT OF CORRECTIONS

Violent Offender/Truth in Sentencing Grant Administration (99-2-004)

Reappropriation:

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General Fund—Federal	\$	359,000
Charitable, Educational, Penal, and Reformatory		
Institutions Account—State	\$	55,000
Subtotal Reappropriation	\$	414,000
Appropriation:		
General Fund—Federal	\$	386,536
Charitable, Educational, Penal, and Reformatory		
Institutions Account—State	\$	42,592
Subtotal Appropriation	\$	429,128
Prior Biennia (Expenditures)	\$	194,514
Future Biennia (Projected Costs)	\$	214,743
TOTAL	\$	1,252,385

NEW SECTION. Sec. 264. FOR THE DEPARTMENT OF CORRECTIONS

Americans with Disabilities Act (00-1-011)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	66,500
Prior Biennia (Expenditures)	\$	20,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	86,500

NEW SECTION. Sec. 265. FOR THE DEPARTMENT OF CORRECTIONS

Local Criminal Justice Facilities (99-2-003)

The appropriations in this section are subject to the following conditions and limitations: \$3,000,000 of the state building construction account—state appropriation is provided solely for grants to local jurisdictions for jail capacity expansion projects. Grants provided in this section shall be limited to up to \$500,000 per jurisdiction.

Reappropriation:

General Fund—Federal	\$	2,952,091
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Appropriation:

General Fund—Federal	\$	1,335,619
State Building Construction Account—State	\$	3,000,000
Subtotal Appropriation	\$	4,335,619
Prior Biennia (Expenditures)	\$	1,193,270
Future Biennia (Projected Costs)	\$	966,338
TOTAL	\$	9,447,318

NEW SECTION. Sec. 266. FOR THE DEPARTMENT OF CORRECTIONS

McNeil Island - Special Commitment Center (00-2-005)

Reappropriation:

State Building Construction Account—State	\$	259,665
Prior Biennia (Expenditures)	\$	2,240,335
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,500,000

NEW SECTION. Sec. 267. FOR THE DEPARTMENT OF CORRECTIONS

McNeil Island Underground Storage Tank (00-1-001)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	377,896
Prior Biennia (Expenditures)	\$	414,415
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	792,311

NEW SECTION. Sec. 268. FOR THE DEPARTMENT OF CORRECTIONS

Monroe Corrections Center: Kitchen Consolidations/Modifications (00-2-011)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	952,109
Prior Biennia (Expenditures)	\$	147,891
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,100,000

NEW SECTION. Sec. 269. FOR THE DEPARTMENT OF CORRECTIONS

Monroe Corrections Center - Hazardous Materials (00-1-002)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	52,950
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	52,950

NEW SECTION. Sec. 270. FOR THE DEPARTMENT OF CORRECTIONS

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Monroe Corrections Center - 100 Bed Intensive Management and Segregation Units (00-2-008)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State \$ 40,665

Appropriation:

General Fund—Federal \$ 18,162,205
 State Building Construction Account—State \$ 2,521,795
 Subtotal Appropriation \$ 20,684,000
 Prior Biennia (Expenditures) \$ 149,335
 Future Biennia (Projected Costs) \$ 17,727,000
 TOTAL \$ 38,601,000

NEW SECTION. Sec. 271. FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary - Intensive Management Unit Improvements (00-1-025)

Reappropriation:

State Building Construction Account—State \$ 3,199,502

Appropriation:

State Building Construction Account—State \$ 852,462
 Prior Biennia (Expenditures) \$ 300,000
 Future Biennia (Projected Costs) \$ 0
 TOTAL \$ 4,351,964

NEW SECTION. Sec. 272. FOR THE DEPARTMENT OF CORRECTIONS

Correctional Industries Space Statewide (98-2-005)

Reappropriation:

State Building Construction Account—State \$ 327,206

Appropriation:

State Building Construction Account—State \$ 4,500,000
 Prior Biennia (Expenditures) \$ 2,972,794
 Future Biennia (Projected Costs) \$ 4,652,000
 TOTAL \$ 12,452,000

NEW SECTION. Sec. 273. FOR THE DEPARTMENT OF CORRECTIONS

Minor Works: Preservation (00-1-020)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	15,530,719
Prior Biennia (Expenditures)	\$	4,479,281
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	20,010,000

NEW SECTION. Sec. 274. FOR THE DEPARTMENT OF CORRECTIONS

Minor Works: Omnibus Preservation (02-1-015)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	619,247
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	20,000,000
TOTAL	\$	20,619,247

NEW SECTION. Sec. 275. FOR THE DEPARTMENT OF CORRECTIONS

Minor Works: Program (00-2-010)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	3,933,797
Prior Biennia (Expenditures)	\$	1,066,203
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,000,000

NEW SECTION. Sec. 276. FOR THE DEPARTMENT OF CORRECTIONS

Minor Works: Omnibus Program (02-2-030)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	1,525,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	8,000,000
TOTAL	\$	9,525,000

NEW SECTION. Sec. 277. FOR THE DEPARTMENT OF CORRECTIONS

Monroe Corrections Center: Regional Training Center (02-2-016)

Appropriation:

State Building Construction Account—State	\$	2,955,000
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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,955,000

NEW SECTION, Sec. 278. FOR THE DEPARTMENT OF CORRECTIONS

Statewide: Department of Corrections Emergency Funds (02-1-028)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State	\$	1,700,000
Prior Biennia (Expenditures)	\$	901,000
Future Biennia (Projected Costs)	\$	7,800,000
TOTAL	\$	10,401,000

NEW SECTION, Sec. 279. FOR THE DEPARTMENT OF CORRECTIONS

Statewide: Intensive Management Unit Repairs (02-1-040)

Appropriation:

State Building Construction Account—State	\$	1,612,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,612,000

NEW SECTION, Sec. 280. FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center - Building Water Pipe Replacement Phase 2 (02-1-008)

Appropriation:

State Building Construction Account—State	\$	2,694,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,694,000

NEW SECTION, Sec. 281. FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center - Domestic Water Systems Improvements (02-1-007)

Appropriation:

State Building Construction Account—State	\$	3,531,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,531,000

NEW SECTION, Sec. 282. FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center - Replace Steam and Condensate Piping (02-1-006)

Appropriation:

State Building Construction Account—State	\$	6,170,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,170,000

NEW SECTION. Sec. 283. FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary - Replace Old Sanitary and Domestic Water Lines (02-1-026)

Appropriation:

State Building Construction Account—State	\$	1,070,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	2,640,000
TOTAL	\$	3,710,000

NEW SECTION. Sec. 284. FOR THE DEPARTMENT OF CORRECTIONS

Washington State Penitentiary - Replace Electrical Supply System (02-1-024)

Appropriation:

State Building Construction Account—State	\$	4,061,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	2,655,000
TOTAL	\$	6,716,000

NEW SECTION. Sec. 285. FOR THE DEPARTMENT OF CORRECTIONS

Olympic Corrections Center - Replace Telecommunications Systems (02-1-041)

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	2,406,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,406,000

NEW SECTION. Sec. 286. FOR THE DEPARTMENT OF CORRECTIONS

Pine Lodge - Replace Telecommunications System (02-1-009)

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

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Appropriation:

State Building Construction Account—State	\$	1,139,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,139,000

NEW SECTION. Sec. 287. FOR THE DEPARTMENT OF CORRECTIONS

Statewide: Emergency Funds (R) (00-1-021)

Reappropriation:

Charitable, Educational, Penal and Reformatory Institutions Account—State	\$	742,000
Prior Biennia (Expenditures)	\$	13,723,016
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	14,465,016

NEW SECTION. Sec. 288. FOR THE DEPARTMENT OF CORRECTIONS

Tacoma: Design 400 Bed Prerelease Facility (98-2-003)

The reappropriation in this section is subject to the following conditions and limitations: To the extent that funds reappropriated in this section are not needed to complete the project, funds may be utilized for design of the McNeil Island water storage project.

Reappropriation:

State Building Construction Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	250,000

**PART 3
NATURAL RESOURCES**

**NEW SECTION. Sec. 301. FOR THE DEPARTMENT OF ECOLOGY
Referendum 26 Waste Disposal Facilities (74-2-004)**

Reappropriation:

State and Local Improvements Revolving Account (Waste Facilities)—State	\$	398,083
Prior Biennia (Expenditures)	\$	3,810,539
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,208,622

**NEW SECTION. Sec. 302. FOR THE DEPARTMENT OF ECOLOGY
Referendum 39 Waste Disposal Facilities (82-2-005)**

Reappropriation:

State and Local Improvements Revolving	
Account - Waste Facilities 1980—State . . . \$	500,000
Prior Biennia (Expenditures) \$	9,928,221
Future Biennia (Projected Costs) \$	0
TOTAL \$	10,428,221

**NEW SECTION. Sec. 303. FOR THE DEPARTMENT OF ECOLOGY
Local Toxics Grants to Locals for Cleanup and Prevention (88-2-008)**

The appropriations in this section are subject to the following conditions and limitations:

(1) The reappropriation in this section is provided solely for projects under contract on or before June 30, 2001. Reappropriated funds not associated with contracted projects shall lapse on June 30, 2001. The office of financial management may grant waivers from this lapse requirement for specific projects upon findings of exceptional circumstances after notification of the chairs of the house of representatives capital budget committee and senate ways and means committee.

(2) The department shall submit a report to the office of financial management and house of representatives capital budget committee and senate ways and means committee by December 1, 2001, listing all projects funded from this section.

(3) The department of ecology shall offer the port of Ridgefield a funding package totaling \$8,400,000 to conduct an emergency cleanup action on port-owned property. A portion of the appropriation in this section shall be combined with funds from the appropriation to the department from the state toxics control account in the omnibus operating budget for the 2001-2003 biennium to provide a funding package consisting of sixty-five percent grant and thirty-five percent loan. The terms of the loan shall provide for repayment by the port of Ridgefield commencing ten years from the effective date of this section and is contingent upon an independent financial audit conducted at the direction of the department to determine the port's ability to repay the loan. It is the intent of the legislature to support necessary action by the port of Ridgefield to protect public health and the environment without jeopardizing the port's financial standing.

Reappropriation:

Local Toxics Control Account—State \$	20,749,772
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Appropriation:

Local Toxics Control Account—State \$	50,000,000
Prior Biennia (Expenditures) \$	84,103,008
Future Biennia (Projected Costs) \$	0
TOTAL \$	154,852,780

**NEW SECTION. Sec. 304. FOR THE DEPARTMENT OF ECOLOGY
Methow Basin Water Conservation (92-2-009)**

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The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for projects under contract on or before June 30, 2001. Reappropriated funds not associated with contracted projects shall lapse on June 30, 2001.

Reappropriation:

State Building Construction Account—State	\$	87,689
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	87,689

NEW SECTION, Sec. 305. FOR THE DEPARTMENT OF ECOLOGY
Low-Level Nuclear Waste Disposal Trench Closure (97-2-012)

Reappropriation:

Site Closure Account—State	\$	5,292,009
Prior Biennia (Expenditures)	\$	1,045,451
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,337,460

NEW SECTION, Sec. 306. FOR THE DEPARTMENT OF ECOLOGY
Water Rights Purchase/Lease (99-1-005)

The appropriation in this section is provided for the purchase or lease of water rights under the trust water rights program under chapters 90.42 and 90.38 RCW, for the purpose of improving stream and river flows in fish critical basins.

Appropriation:

State Building Construction Account—State	\$	1,000,000
General Fund—Federal	\$	6,000,000
Subtotal Appropriation	\$	7,000,000
Prior Biennia (Expenditures)	\$	1,000,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	8,000,000

NEW SECTION, Sec. 307. FOR THE DEPARTMENT OF ECOLOGY
Minor Works (02-1-003)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act and is limited to projects that protect the health and safety of the public and agency employees.

Appropriation:

State Building Construction Account—State	\$	865,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	12,291,745
TOTAL	\$	13,156,745

NEW SECTION, Sec. 308. FOR THE DEPARTMENT OF ECOLOGY
Padilla Bay (02-2-006)

Appropriation:

General Fund—Federal	\$	1,885,800
State Building Construction Account—State	\$	808,200
Subtotal Appropriation	\$	2,694,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,694,000

**NEW SECTION, Sec. 309. FOR THE DEPARTMENT OF ECOLOGY
Local Hazardous Waste Liability (02-4-001)**

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for grants to local governmental agencies named as potentially liable persons or potentially responsible parties when those agencies have conducted a moderate risk waste or similar program, and have become financially liable for clean-up and corrective action due to circumstances at a facility they used for hazardous waste treatment, storage, recycling, or disposal services.

(2) The department shall adopt rules for this financial assistance program. For the purposes of this grant program, the department may offer grants up to one hundred percent of total eligible costs. Eligible costs may include retroactive costs and legal fees associated with facility cleanup or corrective action.

Appropriation:

Local Toxics Control Account—State	\$	2,000,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

**NEW SECTION, Sec. 310. FOR THE DEPARTMENT OF ECOLOGY
Water Pollution Control Revolving Account (90-2-002)**

Reappropriation:

Water Pollution Control Revolving Account— State	\$	38,403,302
Water Pollution Control Revolving Account— Federal	\$	44,795,830
Subtotal Reappropriation	\$	83,199,132
Prior Biennia (Expenditures)	\$	169,901,509
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	253,100,641

**NEW SECTION, Sec. 311. FOR THE DEPARTMENT OF ECOLOGY
Water Pollution Control Revolving Account (02-4-002)**

Appropriation:

Water Pollution Control Revolving Account— State	\$	113,835,792
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Water Pollution Control Revolving Account—	
Federal	\$ 45,277,010
Subtotal Appropriation	\$ 159,112,802
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 467,108,040
TOTAL	\$ 626,220,842

**NEW SECTION. Sec. 312. FOR THE DEPARTMENT OF ECOLOGY
Referendum 38 Water Supply Facilities (74-2-006)**

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is provided solely for projects under contracts on or before June 30, 2001. Reappropriated funds not associated with contracted projects shall lapse on June 30, 2001.

(2) The office of financial management may grant waivers from this lapse requirement for specific projects upon findings of exceptional circumstances after notification of the chairs of the house of representatives capital budget committee and senate ways and means committee.

(3) The department shall submit a report to the office of financial management and house of representatives capital budget committee and senate ways and means committee by December 1, 2001, listing all projects funded from this section.

(4) \$2,500,000 of the reappropriation from the state drought preparedness account is provided solely to purchase or lease water pursuant to section 306 of this act.

Reappropriation:

State Drought Preparedness—State	\$ 5,525,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State . .	\$ 6,000,000
Subtotal Reappropriation	\$ 11,525,000
Prior Biennia (Expenditures)	\$ 6,029,098
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 17,554,098

**NEW SECTION. Sec. 313. FOR THE DEPARTMENT OF ECOLOGY
Referendum 38 Water Supply Facilities (02-4-006)**

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the appropriation is provided solely to study the development of the Lake Wenatchee water storage project.

Appropriation:

State and Local Improvements Revolving Account (Water Supply Facilities)— State	\$ 6,000,000
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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	12,000,000
TOTAL	\$	18,000,000

NEW SECTION. Sec. 314. FOR THE DEPARTMENT OF ECOLOGY Centennial Clean Water Fund (86-2-007)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation in this section is provided solely for projects under contract on or before June 30, 2001. Reappropriated funds not associated with contracted projects shall lapse on June 30, 2001.

(2) The office of financial management may grant waivers from this lapse requirement for specific projects upon findings of exceptional circumstances after notification of the chairs of the house of representatives capital budget committee and senate ways and means committee.

(3) The department shall submit a report to the office of financial management and house of representatives capital budget committee and senate ways and means committee by December 1, 2001, listing all projects funded from this section.

(4) The entire public works assistance account reappropriation is provided for water quality facility grants for communities with a population of less than 5,000. The department shall give priority consideration to: (a) Communities subject to a regulatory order from the department of ecology for noncompliance with water quality regulations; (b) projects for which design work has been completed; and (c) projects with a local match from reasonable water quality rates and charges.

Reappropriation:

Public Works Assistance Account—State	\$	7,013,151
Water Quality Account—State	\$	27,318,809
Subtotal Reappropriation	\$	34,331,960
Prior Biennia (Expenditures)	\$	131,764,921
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	166,096,881

NEW SECTION. Sec. 315. FOR THE DEPARTMENT OF ECOLOGY Centennial Clean Water Fund (02-4-007)

The appropriation in this section is subject to the following conditions and limitations:

(1) Up to \$15,097,000 of the water quality account appropriation is provided for the extended grant payment to Metro/King county.

(2) Up to \$10,000,000 of the water quality account appropriation is provided for the extended grant payment to Spokane for the Spokane-Rathdrum Prairie aquifer.

(3) \$2,000,000 of the water quality account—state appropriation is provided for water quality facility grants for communities with a population of less than

5,000. The department shall give priority consideration to: (a) Communities subject to a regulatory order from the department of ecology for noncompliance with water quality regulations; (b) projects for which design work has been completed; and (c) projects with a local match from reasonable water quality rates and charges.

(4) \$250,000 is provided solely for a water reclamation project for the city of Pullman and Washington State University; the appropriation in this subsection (4) does not imply a commitment of future funding for this project to either the city of Pullman or Washington State University.

(5) The remaining appropriation in this section is provided for statewide water quality implementation and planning grants and loans. The department shall give priority consideration to projects located in basins with critical or depressed salmonid stocks.

Appropriation:

Water Quality Account—State	\$	50,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	208,000,000
TOTAL	\$	258,000,000

NEW SECTION. Sec. 316. FOR THE DEPARTMENT OF ECOLOGY
Water Irrigation Efficiencies (01-H-010)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely to provide grants to conservation districts to assist the agricultural community to implement water conservation measures and irrigation efficiencies in the 16 critical basins. A conservation district receiving funds shall manage each grant to ensure that a portion of the water saved by the water conservation measure or irrigation efficiency will be placed as a purchase or a lease in the trust water rights program to enhance instream flows. The proportion of saved water placed in the trust water rights program must be equal to the percentage of the public investment in the conservation measure or irrigation efficiency. The percentage of the public investment may not exceed 85 percent of the total cost of the conservation measure or irrigation efficiency. In awarding grants, a conservation district shall give first priority to family farms.

(2) By February 1, 2003, the state conservation commission shall submit a progress report to the appropriate standing committees of the legislature on: (1) The amount of public funds expended from this section; and (2) the location and amount of water placed in the trust water rights program pursuant to this section.

(3) \$1,000,000 of the water quality account appropriation is provided for water leases or projects in the Yakima River basin for aquifer recharge necessary to allow the use of drought wells to meet essential irrigation needs. Essential irrigation needs is defined as eighty percent of the amount of water a farmer would

ordinarily receive from the irrigation district, less the water that is actually delivered and regardless of crops grown.

Appropriation:

State and Local Improvements Revolving Account		
(Water Supply Facilities)—State	\$	4,000,000
Water Quality Account—State	\$	5,000,000
Subtotal Appropriation	\$	9,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	9,000,000

**NEW SECTION. Sec. 317. FOR THE DEPARTMENT OF ECOLOGY
Water Measuring Devices and Gauges (01-H-009)**

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for water measuring devices and gauges. The department shall prioritize the distribution of water measuring devices and gauges to locations participating in the department of fish and wildlife fish screens and cooperative compliance programs.

Appropriation:

State Building Construction Account—State	\$	3,400,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,400,000

**NEW SECTION. Sec. 318. FOR THE STATE PARKS AND
RECREATION COMMISSION
Spokane Centennial Trail (89-5-112)**

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

General Fund—Federal	\$	206,534
Prior Biennia (Expenditures)	\$	89,888
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	296,422

**NEW SECTION. Sec. 319. FOR THE STATE PARKS AND
RECREATION COMMISSION
Statewide Recreation Development Program (98-2-008)**

The reappropriation in this section is subject to the following conditions and limitations:

- (1) The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

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(2) \$33,881 of the general fund—federal reappropriation is provided for the continuation of the United States national park service and the United States department of energy grants as described in section 325, chapter 379, Laws of 1999.

(3) \$647,240 of the general fund—federal reappropriation is provided for the continuation of the United States forest service grant as described in section 325, chapter 379, Laws of 1999.

Reappropriation:

General Fund—Federal	\$	868,255
General Fund—Private/Local	\$	29,294
State Building Construction Account—State	\$	1,502,376
Subtotal Reappropriation	\$	2,399,925
Prior Biennia (Expenditures)	\$	2,154,673
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,554,598

NEW SECTION. Sec. 320. FOR THE STATE PARKS AND RECREATION COMMISSION

Recreation Development (02-2-007)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$500,000 is provided solely for Grayland Beach state park development, including expanding campsites, installing yurts, adding comfort stations, and related park infrastructure development.

(2) \$164,000 of this appropriation is provided as state match to federal funds for the Iron Horse depot.

Appropriation:

State Building Construction Account—State	\$	664,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	8,000,000
TOTAL	\$	8,664,000

NEW SECTION. Sec. 321. FOR THE STATE PARKS AND RECREATION COMMISSION

Cama Beach State Park Development (99-2-001)

Reappropriation:

Parks Renewal and Stewardship Account—State	\$	310,000
Prior Biennia (Expenditures)	\$	690,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,000,000

NEW SECTION. Sec. 322. FOR THE STATE PARKS AND RECREATION COMMISSION

Major Park Renovation - Cama Beach (02-1-022)

The appropriation in this section is provided to complete electrical power, water, and sewer utilities, and for other park development and renovation.

Appropriation:

State Building Construction Account—State	\$	4,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,000,000

NEW SECTION. Sec. 323. FOR THE STATE PARKS AND RECREATION COMMISSION

Coastal Facility Relocation (00-1-005)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,500,000
Prior Biennia (Expenditures)	\$	500,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 324. FOR THE STATE PARKS AND RECREATION COMMISSION

Coastal Facility Relocation (02-1-017)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

(2) The commission shall ensure that all funds transferred from the public works assistance account to the parks renewal and stewardship account during the 2001-2003 biennium are used only for this project.

(3) Funds expended on this project for off-site utility infrastructure that may include the provision of electricity, water service, or sewer service shall be for the benefit of the state. Entities that subsequently connect to or use this off-site utility infrastructure shall reimburse the state at a rate proportional to their use. The commission, in consultation with the public works board, shall develop policies and procedures to ensure this reimbursement occurs.

(4) The commission shall ensure that all reimbursement recovered as specified in subsection (3) of this section is paid into the public works assistance account.

(5) Ownership of the off-site sewer and water utility infrastructure constructed in this section shall transfer to the city of Ilwaco.

Appropriation:

Parks Renewal and Stewardship Account—State	\$	5,700,000
Prior Biennia (Expenditures)	\$	0

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Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,700,000

NEW SECTION. Sec. 325. FOR THE STATE PARKS AND RECREATION COMMISSION

Historic Structure and Land Use Program (00-1-007)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	2,477,393
Prior Biennia (Expenditures)	\$	4,022,607
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,500,000

NEW SECTION. Sec. 326. FOR THE STATE PARKS AND RECREATION COMMISSION

Lewis and Clark Trail Bicentennial (00-1-010)

The appropriation in this section is provided solely to renovate facilities and enhance exhibits at Lewis and Clark trail interpretive centers located at Sacajawea state park and Fort Canby state park.

Reappropriation:

State Building Construction Account—State	\$	1,250,000
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Appropriation:

State Building Construction Account—State	\$	2,000,000
Prior Biennia (Expenditures)	\$	250,000
Future Biennia (Projected Costs)	\$	1,000,000
TOTAL	\$	4,500,000

NEW SECTION. Sec. 327. FOR THE STATE PARKS AND RECREATION COMMISSION

Park Housing (00-1-014)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	250,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	500,000

NEW SECTION. Sec. 328. FOR THE STATE PARKS AND RECREATION COMMISSION

Park Housing (02-2-008)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) The appropriation in this section is provided solely to replace existing substandard housing or construct new housing at park locations that presently do not have a full-time, on-site ranger.

Appropriation:

State Building Construction Account—State	\$	500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	2,000,000
TOTAL	\$	2,500,000

NEW SECTION. Sec. 329. FOR THE STATE PARKS AND RECREATION COMMISSION

Americans with Disabilities Act (00-9-036)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) The department shall minimize the expenditure of these funds for staff and administrative purposes or for other operational expenses.

Reappropriation:

State Building Construction Account—State	\$	226,845
Prior Biennia (Expenditures)	\$	195,887
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	422,732

NEW SECTION. Sec. 330. FOR THE STATE PARKS AND RECREATION COMMISSION

Facilities Preservation: Statewide (98-1-003)

The appropriations in this section are subject to the following conditions and limitations:

(1) The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) \$399,000 of the reappropriation and \$50,000 of the new appropriation from the state building construction account—state are provided solely to transfer Mukilteo state park to the city of Mukilteo.

Reappropriation:

State Building Construction Account—State	\$	5,700,000
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Appropriation:

State Building Construction Account—State	\$	50,000
Prior Biennia (Expenditures)	\$	3,934,532
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	9,684,532

NEW SECTION. Sec. 331. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Facility Preservation and Deferred Maintenance (99-1-001)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,300,000
Prior Biennia (Expenditures)	\$	2,700,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,000,000

NEW SECTION. Sec. 332. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Facility Preservation (02-1-001)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) The appropriation in this section is provided solely to continue minor works projects that reduce the deferred maintenance backlog.

Appropriation:

State Building Construction Account—State	\$	10,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	40,000,000
TOTAL	\$	50,000,000

NEW SECTION. Sec. 333. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Worden State Park Preservation and Multi-Purpose Facilities (02-1-003)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) The appropriation in this section is provided solely for park preservation and for development of the multi-purpose dining and meeting facility.

Appropriation:

State Building Construction Account—State	\$	6,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	8,000,000
TOTAL	\$	14,500,000

NEW SECTION. Sec. 334. FOR THE STATE PARKS AND RECREATION COMMISSION

Emergency and Unforeseen Needs (02-1-004)

Appropriation:

State Building Construction Account—State	\$	500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	3,200,000
TOTAL	\$	3,700,000

NEW SECTION. Sec. 335. FOR THE STATE PARKS AND RECREATION COMMISSION

Natural/Historic Stewardship (02-1-006)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,000,000
TOTAL	\$	8,000,000

NEW SECTION. Sec. 336. FOR THE STATE PARKS AND RECREATION COMMISSION

Environmental Learning Centers (02-1-010)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the Seahurst environmental learning center.

Appropriation:

State Building Construction Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	250,000

NEW SECTION. Sec. 337. FOR THE STATE PARKS AND RECREATION COMMISSION

Facilities Assessment Program (02-2-005)

The appropriation in this section shall lapse on June 30, 2003.

Appropriation:

State Building Construction Account—State	\$	200,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	200,000

NEW SECTION. Sec. 338. FOR THE STATE PARKS AND RECREATION COMMISSION

Parkland Acquisition Account (02-2-016)

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Appropriation:

Parkland Acquisition Account—State	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	8,000,000
TOTAL	\$	10,000,000

NEW SECTION. Sec. 339. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Boat Pumpouts Federal Clean Vessel Act (02-2-020)

Appropriation:

General Fund—Federal	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	4,000,000
TOTAL	\$	5,000,000

NEW SECTION. Sec. 340. FOR THE STATE PARKS AND RECREATION COMMISSION

Beacon Rock State Park: Pierce Trust Donation (02-3-018)

Appropriation:

Parks Renewal Stewardship Account—State	\$	200,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	800,000
TOTAL	\$	1,000,000

NEW SECTION. Sec. 341. FOR THE STATE PARKS AND RECREATION COMMISSION

Facility Improvements (01-S-005)

The appropriation in this section is subject to the following conditions and limitations: \$200,000 of the appropriation is provided solely for funding of the twin tunnels bridge on the Iron Goat trail.

Appropriation:

State Building Construction Account—State	\$	3,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,500,000

NEW SECTION. Sec. 342. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Firearms Range Program (FARR) (98-2-004)

Reappropriation:

Firearms Range Account—State	\$	256,120
Prior Biennia (Expenditures)	\$	1,021,638
Future Biennia (Projected Costs)	\$	0

TOTAL \$ 1,277,758

NEW SECTION, Sec. 343. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Boating Facilities Projects (98-2-001)

Reappropriation:

Recreation Resources Account—State	\$	13,331,774
Prior Biennia (Expenditures)	\$	9,825,791
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	23,157,565

NEW SECTION, Sec. 344. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Boating Facilities Projects (02-4-001)

Appropriation:

Recreation Resources Account—State	\$	8,318,013
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	40,300,368
TOTAL	\$	48,618,381

NEW SECTION, Sec. 345. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Nonhighway Road and Off-Road Vehicle Activities (NOVA) (98-2-002)

Reappropriation:

NOVA Program Account—State	\$	7,273,884
Prior Biennia (Expenditures)	\$	7,682,997
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	14,956,881

NEW SECTION, Sec. 346. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Nonhighway Road and Off-Road Vehicle Activities (NOVA) (02-4-002)

(1) The appropriation in this section for the nonhighway and off-road vehicle program under RCW 46.09.170(1)(d)(i) is subject to the following conditions and limitations: Fifty percent of the new appropriation is provided solely for grants to projects to research, develop, publish, and distribute informational guides and maps of nonhighway and off-road vehicle trails and associated facilities meeting the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act.

(2) The appropriation in this section for the nonhighway and off-road vehicle program under RCW 46.09.170(1)(d)(ii) is subject to the following conditions and limitations: The portion of the new appropriation that applies to grants for capital facilities is provided solely for grants to projects that meet the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act and do not compromise or impair sensitive natural resources. The portion of the new

appropriation that applies to grants for management, maintenance, and operation of existing off-road vehicle recreation facilities may be used to bring the facilities into compliance with the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act.

(3) The appropriation in this section for the nonhighway and off-road vehicle program under RCW 46.09.170(1)(d)(iii) is subject to the following conditions and limitations: \$175,000 is provided solely for the interagency committee for outdoor recreation to contract with an independent entity to study the source and make recommendations on the distribution and use of funds provided to off-road vehicle and nonhighway road recreational activities under RCW 46.09.170. The study shall determine the relative portion of the motor vehicle fuel tax revenues that are attributable to vehicles operating off-road or on nonhighway roads for recreational purposes as provided in RCW 46.09.170. The study shall include the types of vehicles and location of their use, the types of recreational activities, the types of recreational facilities used, and the recreational use of forest roads relative to other, nonrecreational uses. The interagency committee for outdoor recreation shall review the analysis and submit a report to the standing committees of the legislature, including recommendations regarding amendments to RCW 46.09.170 to: (a) Allocate revenues consistent with the relative proportion of the uses generating such revenues, and (b) ensure funding for existing off-road vehicle facilities operated by the state parks and recreation commission and local governments. The report shall be submitted no later than December 1, 2002.

Appropriation:

NOVA Program Account—State	\$	5,527,551
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	23,559,218
TOTAL	\$	29,086,769

NEW SECTION. Sec. 347. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Washington Wildlife and Recreation Program (98-2-003)

The reappropriation in this section is subject to the following conditions and limitations: Reappropriated funds that are not obligated to a specific project may be used to fund projects from the list of alternate projects in biennia succeeding the biennium in which the funds were originally appropriated.

Reappropriation:

State Building Construction Account—State	\$	3,663,227
Outdoor Recreation Account—State	\$	28,237,251
Habitat Conservation Account—State	\$	37,205,932
Subtotal Reappropriation	\$	69,106,410
Prior Biennia (Expenditures)	\$	247,993,590
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	317,100,000

NEW SECTION. Sec. 348. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Washington Wildlife and Recreation Program (02-4-003)

The appropriation in this section for the wildlife and recreation program under chapter 43.99A RCW and RCW 43.99A.040 is subject to the following conditions and limitations:

(1) The new appropriation is provided for the approved list of projects included in LEAP capital document No. 2001-24, as developed on June 7, 2001.

(2) The department of natural resources shall manage lands acquired through project No. 00-1427 "North Bay NAP" as a natural resources conservation area under chapter 79.71 RCW.

Appropriation:

Outdoor Recreation Account—State	\$	22,500,000
Habitat Conservation Account—State	\$	22,500,000
Subtotal Appropriation	\$	45,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	180,000,000
TOTAL	\$	225,000,000

NEW SECTION. Sec. 349. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Land and Water Conservation Fund (LWCF) (98-2-005)

Reappropriation:

Outdoor Recreation Account—Federal	\$	975,325
Prior Biennia (Expenditures)	\$	849,761
Future Biennia (Projected Costs)	\$	1
TOTAL	\$	1,825,087

NEW SECTION. Sec. 350. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Land and Water Conservation Fund (LWCF) (02-4-005)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$1,500,000 of the recreation resources account—federal is appropriated for projects chosen by the interagency committee for outdoor recreation.

(2) By January 1, 2002, the interagency committee for outdoor recreation shall provide a report to the legislature that:

(a) Describes those projects funded subject to subsection (1) of this section; and

(b) Recommends legislation creating a competitive process for the selection of projects that will result in a list of projects to be submitted to the legislature for its approval.

Appropriation:

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Recreation Resources Account—Federal	\$	2,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,500,000

NEW SECTION, Sec. 351. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

National Recreation Trails (NRTP) (98-2-006)

Reappropriation:

Recreation Resources Account—Federal	\$	1,768,874
Prior Biennia (Expenditures)	\$	782,443
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,551,317

NEW SECTION, Sec. 352. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

National Recreation Trails (NRTP) (02-4-006)

Appropriation:

Recreation Resources Account—Federal	\$	2,132,936
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	977,000
TOTAL	\$	3,109,936

NEW SECTION, Sec. 353. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Salmon Recovery (00-2-001)

Reappropriation:

General Fund—Federal	\$	56,200,530
State Building Construction Account—State	\$	3,121,243
Salmon Recovery Account—State	\$	24,285,080
Subtotal Reappropriation	\$	83,606,853
Prior Biennia (Expenditures)	\$	36,321,147
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	119,928,000

***NEW SECTION, Sec. 354. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Salmon Recovery (02-4-007)

The appropriation in this section is subject to the following conditions and limitations:

(1) Activities funded through grants provided in this section shall be consistent with the salmon recovery funding board's goals, mission, and responsibilities.

(2) Jobs for the environment projects submitted by lead entities are eligible to receive funding, including wages for jobs for the environment participants.

(3) *\$1,000,000 is provided solely for a grant to the people for salmon organization to coordinate and implemcnt volunteer salmon recovery efforts.*

Appropriation:

General Fund—Federal	\$	27,642,000
State Building Construction Account—State	\$	28,000,000
Subtotal Appropriation	\$	55,642,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	264,000,000
TOTAL	\$	318,189,000

*Sec. 354 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 355. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Hatchery Management (02-4-009)

Appropriation:

General Fund—Federal	\$	11,200,000
Prior Biennia (Expenditures)	\$	440,627
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,640,627

NEW SECTION. Sec. 356. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Boating Infrastructure Grant (BIG) Program (02-4-010)

Appropriation:

Recreation Resources Account—Federal	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 357. FOR THE STATE CONSERVATION COMMISSION

Water Quality Grants Program (98-2-001)

Reappropriation:

Water Quality Account—State	\$	1,227,740
Prior Biennia (Expenditures)	\$	14,272,260
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	15,500,000

NEW SECTION. Sec. 358. FOR THE STATE CONSERVATION COMMISSION

Conservation Reserve Enhancement Program (00-2-004)

Reappropriation:

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State Building Construction Account—State	\$	4,100,000
Appropriation:		
State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	6,053,148
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,153,148

NEW SECTION. Sec. 359. FOR THE STATE CONSERVATION COMMISSION

Water Quality Grants Program (02-4-001)

Appropriation:		
Water Quality Account—State	\$	3,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	20,000,000
TOTAL	\$	23,500,000

NEW SECTION. Sec. 360. FOR THE STATE CONSERVATION COMMISSION

Dairy Waste Management Grants Program (98-2-002)

Reappropriation:		
Water Quality Account—State	\$	971,830
State Building Construction Account—State	\$	2,304,535
Subtotal Reappropriation	\$	3,276,365
Prior Biennia (Expenditures)	\$	5,223,635
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	8,500,000

NEW SECTION. Sec. 361. FOR THE STATE CONSERVATION COMMISSION

Dairy Nutrient Management Grants Program (02-4-002)

Appropriation:		
Water Quality Account—State	\$	5,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	22,000,000
TOTAL	\$	27,500,000

NEW SECTION. Sec. 362. FOR THE STATE CONSERVATION COMMISSION

Puget Sound District Grants (02-4-003)

Appropriation:		
Water Quality Account—State	\$	840,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	3,360,000
TOTAL	\$	4,200,000

NEW SECTION. Sec. 363. FOR THE STATE CONSERVATION COMMISSION

Skykomish Flood Mitigation Project (01-H-013)

Appropriation:

State Building Construction Account—State	\$	618,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	618,000

NEW SECTION. Sec. 364. FOR THE STATE CONSERVATION COMMISSION

Water Irrigation System Improvements (01-S-001)

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is provided for irrigation district system enhancements.

Appropriation:

Water Quality Account—State	\$	750,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	750,000

NEW SECTION. Sec. 365. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Tideland Acquisition (94-2-003)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

General Fund—Federal	\$	640,000
Prior Biennia (Expenditures)	\$	4,360,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,000,000

NEW SECTION. Sec. 366. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Nemah Hatchery Building and Incubation System Replacement (96-1-006)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

General Fund—Federal	\$	110,000
Prior Biennia (Expenditures)	\$	1,590,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,700,000

NEW SECTION. Sec. 367. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Shellfish Laboratory and Hatchery Upgrades (96-1-009)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

Aquatic Lands Enhancement Account—State	\$	120,000
State Building Construction Account—State	\$	30,000
Subtotal Reappropriation	\$	150,000
Prior Biennia (Expenditures)	\$	354,947
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	504,947

NEW SECTION. Sec. 368. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works Preservation (98-1-001)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	1,030,000
Prior Biennia (Expenditures)	\$	2,998,572
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,028,572

NEW SECTION. Sec. 369. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Facilities Renovation (98-1-005)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—		
State	\$	420,000
Prior Biennia (Expenditures)	\$	1,831,201
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,251,201

NEW SECTION. Sec. 370. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Hatchery Renovation (98-1-006)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,227,000
Prior Biennia (Expenditures)	\$	6,165,326
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,392,326

NEW SECTION. Sec. 371. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Recreational Access Redevelopment (98-1-007)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	80,000
Prior Biennia (Expenditures)	\$	5,357,787
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,437,787

NEW SECTION. Sec. 372. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Coast and Puget Sound Wild Salmonid Habitat Restoration (98-1-009)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	200,000
Prior Biennia (Expenditures)	\$	3,300,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,500,000

NEW SECTION. Sec. 373. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Coast and Puget Sound Wildstock Restoration: Hatcheries (98-1-010)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	110,000
Prior Biennia (Expenditures)	\$	890,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,000,000

NEW SECTION. Sec. 374. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Statewide Fencing Renovation and Construction (98-1-012)

The reappropriation in this section is subject to the following conditions and limitations:

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(1) The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) Expenditures of the reappropriation in this section for fencing shall comply with chapter 16.60 RCW.

Reappropriation:

State Building Construction Account—State	\$	185,000
Prior Biennia (Expenditures)	\$	826,118
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,011,118

NEW SECTION. Sec. 375. FOR THE DEPARTMENT OF FISH AND WILDLIFE

ADA Projects (01-S-003)

Reappropriation:

State Building Construction Account—State	\$	155,200
Prior Biennia (Expenditures)	\$	63,800
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	219,000

NEW SECTION. Sec. 376. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Wildlife Renovation (98-1-013)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	80,000
Prior Biennia (Expenditures)	\$	170,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	250,000

NEW SECTION. Sec. 377. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Issaquah Hatchery Improvements (98-1-015)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	2,150,000
Prior Biennia (Expenditures)	\$	5,285,955
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,435,955

NEW SECTION. Sec. 378. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Warm Water Game Fish Access Facilities (98-2-006)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

Warm Water Game Fish Account—State	\$	340,000
Prior Biennia (Expenditures)	\$	7,095,955
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,435,955

NEW SECTION. Sec. 379. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Recreational Fish Enhancement (98-2-007)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

Recreational Fisheries Enhancement—State	\$	400,000
Prior Biennia (Expenditures)	\$	678,313
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,078,313

NEW SECTION. Sec. 380. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Mitigation Projects and Dedicated Funds (98-2-008)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

Game Special Wildlife Account—State	\$	81,000
Game Special Wildlife Account—Private/Local	\$	898,000
Subtotal Reappropriation	\$	979,000
Prior Biennia (Expenditures)	\$	342,383
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,321,383

NEW SECTION. Sec. 381. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Migratory Waterfowl Habitat Acquisition and Development (98-2-009)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

Wildlife Account—State	\$	200,000
Prior Biennia (Expenditures)	\$	669,849
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	869,849

NEW SECTION. Sec. 382. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Clam and Oyster Beach Enhancement (98-2-019)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

Aquatic Lands Enhancement Account—State	\$	35,000
Prior Biennia (Expenditures)	\$	2,988,803
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,023,803

NEW SECTION. Sec. 383. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Deep Water Slough Restoration (98-2-013)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	400,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	400,000

NEW SECTION. Sec. 384. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Salmon Restoration (99-2-001)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	210,000
Salmon Recovery Account—State	\$	500,000
Subtotal Reappropriation	\$	710,000
Prior Biennia (Expenditures)	\$	1,040,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,750,000

NEW SECTION. Sec. 385. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Upland Wildlife Habitat: Replacement (00-2-005)

Reappropriation:

Wildlife Account—State	\$	600,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0

TOTAL \$ 600,000

NEW SECTION. Sec. 386. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Goldsborough Creek Restoration (00-2-008)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	63,000
Prior Biennia (Expenditures)	\$	2,067,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,130,000

NEW SECTION. Sec. 387. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Hatchery Reform Facility Retrofits (02-1-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

General Fund—Federal	\$	10,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	60,000,000
TOTAL	\$	70,000,000

NEW SECTION. Sec. 388. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Forest and Fish Road Upgrade and Abandonment on Agency Lands (02-1-003)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

General Fund—Federal	\$	1,900,000
State Building Construction Account—State	\$	500,000
Subtotal Appropriation	\$	2,400,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	11,600,000
TOTAL	\$	14,000,000

NEW SECTION. Sec. 389. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Code Compliance and Protection (02-1-005)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

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Appropriation:

General Fund—Federal	\$	550,000
General Fund—Private/Local	\$	1,250,000
State Building Construction Account—State	\$	2,350,000
Subtotal Appropriation	\$	4,150,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	28,500,000
TOTAL	\$	32,650,000

NEW SECTION. Sec. 390. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Facility and Infrastructure Standards and Renovations (02-1-009)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) \$305,000 of the appropriation in this section shall be used to replace or renovate the caretaker residence and construct pheasant rearing pens at the Lewis county game farm.

(3) The department shall expend the \$300,000 wildlife account—state appropriation to construct a capture and acclimation pond at Grandy Creek.

(4) \$871,000 of the state building construction account—state appropriation is provided solely for renovation and reconstruction of the Samish hatchery.

Appropriation:

General Fund—Federal	\$	3,100,000
General Fund—Private/Local	\$	1,500,000
Aquatic Lands Enhancement Account—State	\$	150,000
State Building Construction Account—State	\$	7,571,000
Wildlife Account—State	\$	300,000
Subtotal Appropriation	\$	12,621,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	46,420,000
TOTAL	\$	58,741,000

NEW SECTION. Sec. 391. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Infrastructure Savings (02-1-010)

Projects that are completed in accordance with section 915 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State	\$	1
Prior Biennia (Expenditures)	\$	0

Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1

NEW SECTION. Sec. 392. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Endangered Species Act Compliance on Agency Lands (02-2-002)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

General Fund—Federal	\$	8,800,000
State Building Construction Account—State	\$	1,000,000
Subtotal Appropriation	\$	9,800,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	39,200,000
TOTAL	\$	49,000,000

NEW SECTION. Sec. 393. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Diverse Fish and Wildlife Population Health and Protection (02-2-004)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	250,000
Wildlife Account—State	\$	1,200,000
Subtotal Appropriation	\$	1,450,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	5,800,000
TOTAL	\$	7,250,000

NEW SECTION. Sec. 394. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Commercial and Recreational Customer Satisfaction Improvements (02-2-006)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Warm Water Game Fish Account—State	\$	560,000
Wildlife Account—State	\$	500,000
Subtotal Appropriation	\$	1,060,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	4,700,000
TOTAL	\$	5,760,000

NEW SECTION. Sec. 395. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Watchable Wildlife Program (00-2-007)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	42,000
Prior Biennia (Expenditures)	\$	58,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	100,000

NEW SECTION. Sec. 396. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Watchable Fish and Wildlife and Recreation Sites (02-2-007)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Wildlife Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,628,000
TOTAL	\$	8,628,000

NEW SECTION. Sec. 397. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Partnership Improvements with Internal and External Customers (02-2-008)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) Expenditures of the appropriation in this section for fencing shall comply with chapter 16.60 RCW.

Appropriation:

General Fund—Federal	\$	4,000,000
General Fund—Private/Local	\$	2,000,000
Aquatic Lands Enhancement Account—State	\$	150,000
State Building Construction Account—State	\$	400,000
Game Special Wildlife Account—State	\$	50,000
Game Special Wildlife Account—Federal	\$	3,725,400
Game Special Wildlife Account—Private/Local	\$	50,000
Subtotal Appropriation	\$	10,375,400
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	46,824,700
TOTAL	\$	57,200,100

NEW SECTION. Sec. 398. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Youth Sport Fishing Program (01-H-008)

Appropriation:

Wildlife Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	250,000

NEW SECTION. Sec. 399. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Dole Property Acquisition (01-S-002)

The appropriation in this section is subject to the following conditions and limitations: The appropriation shall be used solely to acquire property and the associated water rights adjacent to the Chelan fish hatchery.

Appropriation:

State Building Construction account—State	\$	786,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	786,000

NEW SECTION. Sec. 400. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Fish Screens (01-H-011)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the inventory, design, construction, and installation of fish screens and fishways. To the extent practicable and cost effective, the department shall contract for the design, construction, and installation of fish screens and fishways. Funds provided by this appropriation may be used to match federal funds appropriated under HR 1444, the Fisheries Restoration and Irrigation Mitigation Act of 2000.

Appropriation:

State Building Construction Account—State	\$	1,500,000
General Fund—Federal	\$	3,500,000
Subtotal Appropriation	\$	5,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,000,000

NEW SECTION. Sec. 401. FOR THE DEPARTMENT OF NATURAL RESOURCES

Administrative Site Preservation (02-1-002)

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The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Forest Development Account—State	\$	231,089
Resources Management Cost Account—State	\$	375,535
State Building Construction Account—State	\$	331,563
Agricultural College Trust Management Account—State	\$	66,550
Subtotal Appropriation	\$	1,004,737
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,365,000
TOTAL	\$	8,369,737

NEW SECTION. Sec. 402. FOR THE DEPARTMENT OF NATURAL RESOURCES

Real Estate Repair, Maintenance, and Tenant Improvements (02-1-005)

Appropriation:

Resources Management Cost Account—State	\$	146,923
Prior Biennia (Expenditures)	\$	911,220
Future Biennia (Projected Costs)	\$	3,065,000
TOTAL	\$	4,123,143

NEW SECTION. Sec. 403. FOR THE DEPARTMENT OF NATURAL RESOURCES

Hazardous Waste Removal (02-1-006)

Appropriation:

Forest Development Account—State	\$	25,000
Resources Management Cost Account—State	\$	25,000
Subtotal Appropriation	\$	50,000
Prior Biennia (Expenditures)	\$	107,110
Future Biennia (Projected Costs)	\$	200,000
TOTAL	\$	357,110

NEW SECTION. Sec. 404. FOR THE DEPARTMENT OF NATURAL RESOURCES

Recreation Facilities Preservation (02-1-011)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	340,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,360,000
TOTAL	\$	1,700,000

NEW SECTION. Sec. 405. FOR THE DEPARTMENT OF NATURAL RESOURCES

Natural Area Facilities Preservation (02-1-016)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	508,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	2,032,000
TOTAL	\$	2,540,000

NEW SECTION. Sec. 406. FOR THE DEPARTMENT OF NATURAL RESOURCES

Agricultural Asset Preservation (02-1-017)

Appropriation:

Resources Management Cost Account—State	\$	53,041
Prior Biennia (Expenditures)	\$	154,000
Future Biennia (Projected Costs)	\$	1,620,000
TOTAL	\$	1,827,041

NEW SECTION. Sec. 407. FOR THE DEPARTMENT OF NATURAL RESOURCES

Communication Site Repairs (02-1-024)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Forest Development Account—State	\$	230,000
Resources Management Cost Account—State	\$	169,730
Subtotal Appropriation	\$	399,730
Prior Biennia (Expenditures)	\$	202,750
Future Biennia (Projected Costs)	\$	1,220,000
TOTAL	\$	1,822,480

NEW SECTION. Sec. 408. FOR THE DEPARTMENT OF NATURAL RESOURCES

Minor Works - Programmatic (00-2-011)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

Forest Development Account—State	\$	119,610
Resources Management Cost Account—State	\$	301,305
State Building Construction Account—State	\$	212,695
Agricultural College Trust Management		

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Account—State	\$	31,000
Subtotal Reappropriation	\$	664,610
Prior Biennia (Expenditures)	\$	631,480
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,296,090

NEW SECTION. Sec. 409. FOR THE DEPARTMENT OF NATURAL RESOURCES

Minor Works - Programmatic (02-2-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Forest Development Account—State	\$	136,620
Resources Management Cost Account—State	\$	181,161
State Building Construction Account—State	\$	242,880
Agricultural College Trust Management		
Account—State	\$	37,950
Subtotal Appropriation	\$	598,611
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,289,000
TOTAL	\$	7,887,611

NEW SECTION. Sec. 410. FOR THE DEPARTMENT OF NATURAL RESOURCES

Small Timber Landowner Program (00-5-001)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	2,500,000
Prior Biennia (Expenditures)	\$	2,500,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,000,000

NEW SECTION. Sec. 411. FOR THE DEPARTMENT OF NATURAL RESOURCES

Small Timber Landowner Program (02-2-003)

Appropriation:

State Building Construction Account—State	\$	1,250,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	18,000,000
TOTAL	\$	19,250,000

NEW SECTION. Sec. 412. FOR THE DEPARTMENT OF NATURAL RESOURCES

Right-of-Way Acquisition (02-2-007)

Appropriation:

Forest Development Account—State	\$	321,400
Resources Management Cost Account—State	\$	124,009
Subtotal Appropriation	\$	445,409
Prior Biennia (Expenditures)	\$	1,355,480
Future Biennia (Projected Costs)	\$	5,248,000
TOTAL	\$	7,048,889

NEW SECTION. Sec. 413. FOR THE DEPARTMENT OF NATURAL RESOURCES

Mineral Resource Testing (02-2-008)

Appropriation:

Forest Development Account—State	\$	11,900
Resources Management Cost Account—State	\$	6,100
Subtotal Appropriation	\$	18,000
Prior Biennia (Expenditures)	\$	18,000
Future Biennia (Projected Costs)	\$	300,000
TOTAL	\$	336,000

NEW SECTION. Sec. 414. FOR THE DEPARTMENT OF NATURAL RESOURCES

Commercial Development/Local Improvement Districts (02-2-009)

Appropriation:

Resources Management Cost Account—State	\$	90,000
Prior Biennia (Expenditures)	\$	245,120
Future Biennia (Projected Costs)	\$	450,000
TOTAL	\$	785,120

NEW SECTION. Sec. 415. FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Transfer Program (02-2-010)

The state building construction account appropriation in this section is subject to the following conditions and limitations:

(1) The total appropriation is provided to the department solely to transfer from trust status or enter into thirty-year timber harvest restrictive easements for certain trust lands of state-wide significance deemed appropriate for state park, fish and wildlife habitat, natural area preserve, natural resources conservation area, open space, or recreation purposes.

(2) Property transferred under this section shall be appraised and transferred at fair market value. The value of the timber transferred shall be deposited by the department to the common school construction account in the same manner as timber revenues from other common school trust lands. No deduction shall be made for the resource management cost account under RCW 79.64.040. The

value of the land transferred shall be deposited in the natural resources real property replacement account. These funds shall be expended by the department for the exclusive purpose of acquiring real property of equal value to be managed as common school trust land.

(3) Property subject to easement agreements under this section shall be appraised at fair market value both with and without the imposition of the easement. The entire difference in appraised value shall be deposited by the department to the common school construction fund in the same manner as lease revenues from other common school trust lands. No deduction shall be made for the resource management cost account under RCW 79.64.040.

(4) All reasonable costs incurred by the department to implement this section are authorized to be paid out of this appropriation. Authorized costs include the actual cost of appraisals, staff time, environmental reviews, surveys, and other similar costs.

(5) Intergrant exchanges between common school and other trust lands of equal value may occur if the exchange is in the interest of each trust, as determined by the board of natural resources.

(6) Prior to or concurrent with conveyance of these properties, the department, with full cooperation of the receiving agencies, shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section for a minimum period of thirty years. The department of natural resources, in consultation with the receiving state agencies, shall develop policy to address requests to replace transferred properties subject to the recorded property instrument that are no longer deemed appropriate for the purposes identified in subsection (1) of this section.

(7) The department and receiving agencies shall work in good faith to carry out the intent of this section. However, the department or receiving agencies may remove a property from the transfer list based on new, substantive information, if it is determined that transfer of the property is not in the statewide interest of either the common school trust or the receiving agency.

(8) The department shall execute trust land transfers and easements such that 80 percent of the appropriation in this section is deposited in the common school construction fund. To achieve the 80:20 ratio, the department may offset transfers of property with low timber-to-land ratios with easements on other properties.

(9) On June 30, 2003, the state treasurer shall transfer all remaining uncommitted funds from this appropriation to the common school construction fund and the appropriation in this section shall be reduced by an equivalent amount.

(10) The appropriation in this section is provided for a list of projects in LEAP capital document No. 2001-42, as developed on June 7, 2001.

Appropriation:

State Building Construction Account—State	\$	50,000,000
Natural Resources Real Property Replacement Account—State	\$	10,000,000

Subtotal Appropriation	\$	60,000,000
Prior Biennia (Expenditures)	\$	66,000,000
Future Biennia (Projected Costs)	\$	320,000,000
TOTAL	\$	446,000,000

NEW SECTION. Sec. 416. FOR THE DEPARTMENT OF NATURAL RESOURCES

Land Bank (02-2-013)

Appropriation:

Resources Management Cost Account--State	\$	4,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	18,000,000
TOTAL	\$	22,000,000

NEW SECTION. Sec. 417. FOR THE DEPARTMENT OF NATURAL RESOURCES

Community and Technical College Trust Land Acquisition (02-2-014)

Appropriation:

Community and Technical College Forest Reserve Account--State	\$	200,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	3,500,000
TOTAL	\$	3,700,000

NEW SECTION. Sec. 418. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Legacy and Wetlands Conservation Grants (00-2-020)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

General Fund--Federal	\$	2,270,000
Prior Biennia (Expenditures)	\$	6,517,480
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	8,787,480

NEW SECTION. Sec. 419. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Legacy and Wetlands Conservation Grants (02-2-015)

Appropriation:

General Fund--Federal	\$	5,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	21,500,000
TOTAL	\$	26,500,000

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NEW SECTION. Sec. 420. FOR THE DEPARTMENT OF NATURAL RESOURCES

Marine Station Public Access (02-2-019)

Appropriation:

Aquatic Lands Enhancement Account—State	\$	175,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,000,000
TOTAL	\$	1,175,000

NEW SECTION. Sec. 421. FOR THE DEPARTMENT OF NATURAL RESOURCES

Commencement Bay Freshwater Channel (02-2-020)

Appropriation:

Aquatic Lands Enhancement Account—State	\$	2,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 422. FOR THE DEPARTMENT OF NATURAL RESOURCES

Mobile Radio System Upgrade (02-2-022)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Forest Development Account—State	\$	405,000
Resources Management Cost Account—State	\$	776,000
State Building Construction Account—State	\$	582,000
Subtotal Appropriation	\$	1,763,000
Prior Biennia (Expenditures)	\$	783,500
Future Biennia (Projected Costs)	\$	2,273,700
TOTAL	\$	4,820,200

NEW SECTION. Sec. 423. FOR THE DEPARTMENT OF NATURAL RESOURCES

Riparian Open Space Program (02-2-023)

Appropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	4,000,000
TOTAL	\$	5,000,000

NEW SECTION. Sec. 424. FOR THE DEPARTMENT OF NATURAL RESOURCES

Aquatic Lands Enhancement Grants (00-2-014)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

Aquatic Lands Enhancement Account—State	\$	2,100,000
Prior Biennia (Expenditures)	\$	10,422,070
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	12,522,070

NEW SECTION. Sec. 425. FOR THE DEPARTMENT OF NATURAL RESOURCES

Aquatic Lands Enhancement Grants (02-4-018)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided for a list of projects in LEAP capital document No. 2001-44, as developed on June 7, 2001.

(2) The department shall submit a list of recommended projects to be funded from the aquatic lands enhancement account in the 2003-2005 capital budget. The list shall result from a competitive grants program developed by the department based upon, at a minimum: A uniform criteria for the selection of projects and awarding of grants for up to fifty percent of the total project cost; local community support for the project; and a statewide geographic distribution of projects. The list of projects shall be submitted to the office of financial management by September 15, 2002.

Appropriation:

Aquatic Lands Enhancement Account—State	\$	5,565,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	22,000,000
TOTAL	\$	27,565,000

NEW SECTION. Sec. 426. FOR THE DEPARTMENT OF NATURAL RESOURCES

Blanchard Mountain Asset Evaluation (01-S-002)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for an evaluation of the social, ecological, and financial values of forest beard lands on Blanchard Mountain in Skagit county. The department may contract for the conduct of the evaluation.

(2) The evaluation shall be completed by June 30, 2002. The department shall provide a report to the legislature on the evaluation.

(3) For the duration of the study, the department shall defer timber sales in the project area that prescribe conifer harvest by clear cut.

(4) If the appropriation in this section is not matched equally by contributions of nonstate funds, these funds shall lapse.

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Appropriation:

Forest Development Account—State	\$	25,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	25,000

NEW SECTION. Sec. 427. FOR THE DEPARTMENT OF NATURAL RESOURCES

Larch Mountain Road Reconstruction (01-S-001)

The appropriation in this section is provided solely to reconstruct the Larch Mountain road to provide safe access to the Larch Mountain correction camp and department-managed state forest lands. Expenditure of the \$1,000,000 state building and construction account appropriation is contingent upon the department of natural resources utilizing the nonappropriated access road revolving fund to complete reconstruction of the Larch Mountain road. The expenditure of total state appropriated funds for this project shall not exceed \$1,000,000.

Appropriation:

Access Road Revolving Fund—Nonappropriated . . .	\$	3,000,000
State Building Construction Account—State	\$	1,000,000
Subtotal Appropriation	\$	4,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,000,000

**PART 4
TRANSPORTATION**

NEW SECTION. Sec. 501. FOR THE WASHINGTON STATE PATROL

Seattle Crime Laboratory - New Forensic Laboratory (00-2-008)

The reappropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	9,100,000
Death Investigations Account—State	\$	2,500,000
County Criminal Justice Assistance Account— State	\$	350,000
Municipal Criminal Justice Assistance Account— State	\$	249,795
Subtotal Reappropriation	\$	12,199,795
Prior Biennia (Expenditures)	\$	300,205
Future Biennia (Projected Costs)	\$	0

TOTAL \$ 12,500,000

NEW SECTION. Sec. 502. FOR THE WASHINGTON STATE PATROL

Fire Training Academy - Water System (00-2-009)

The reappropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	652,211
Prior Biennia (Expenditures)	\$	1,192,789
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,845,000

NEW SECTION. Sec. 503. FOR THE WASHINGTON STATE PATROL

Boarding Home Fire Safety Program (00-4-010)

The reappropriation in this section is provided solely for grants for the installation or retrofit of fire sprinklers in boarding homes. The reappropriation in this section is subject to the following conditions and limitations:

(1) The state fire marshal, in consultation with the department of social and health services, shall implement the grant program.

(2) To be eligible for a grant under this section, the boarding home must be licensed with the department of social and health services.

(3) Determination of grant eligibility and the percentage of grant funding shall be determined by the following formula:

(a) At the time of application for a grant, a boarding home with a resident ratio of fifteen percent or greater department of social and health services clients and/or low-income residents is eligible for one hundred percent of the difference between the cost of retrofitting and the cost of installing sprinklers during original construction.

(b) At the time of application for a grant, a boarding home with a resident ratio of less than fifteen percent department of social and health services clients and/or low-income residents is eligible for fifty percent of the difference between the cost of retrofitting and the cost of installing sprinklers during original construction.

(c) At the time of application for a grant, a boarding home with a resident ratio of seventy-five percent or greater department of social and health services clients and/or low-income residents is eligible for one hundred percent of the cost of installing fire sprinklers.

(4) Any boarding home receiving this grant, or that has previously entered into a contract to receive grant funding, shall complete the installation of the fire sprinklers by June 30, 2003.

Reappropriation:

State Building Construction Account—State	\$	2,000,000
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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

NEW SECTION. Sec. 504. FOR THE WASHINGTON STATE PATROL

Fire Training Academy - Preservation (02-1-006)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	200,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,000,000
TOTAL	\$	1,200,000

NEW SECTION. Sec. 505. FOR THE WASHINGTON STATE PATROL

Spokane Crime Laboratory - Design (02-2-013)

Appropriation:

State Building Construction Account—State	\$	400,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,950,000
TOTAL	\$	8,350,000

NEW SECTION. Sec. 506. FOR THE WASHINGTON STATE PATROL

Vancouver Crime Laboratory - Predesign (02-2-010)

Appropriation:

State Building Construction Account—State	\$	130,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,400,000
TOTAL	\$	7,530,000

**PART 5
EDUCATION**

NEW SECTION. Sec. 601. FOR THE STATE BOARD OF EDUCATION

Public School Building Construction (00-2-001 and 00-2-002)

Reappropriation:

State Building Construction Account—State	\$	37,000
Common School Construction Account—State	\$	150,000,000
Subtotal Reappropriation	\$	150,037,000
Prior Biennia (Expenditures)	\$	588,570,973

Future Biennia (Projected Costs)	\$	0
TOTAL	\$	738,607,973

NEW SECTION. Sec. 602. FOR THE STATE BOARD OF EDUCATION

State School Construction Assistance Grants (02-4-001)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$200,000 from this appropriation is provided to fund up to two FTEs in the office of state fire marshal to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) Of the fiscal year 2002 appropriation, \$80,000 is provided solely for skills centers study and survey.

(3) For state assistance grants starting July 1, 2001, for purposes of calculating square foot eligibility, kindergarten student headcount shall not be reduced by fifty percent.

(4) \$5,400,000 from this appropriation is provided for skills centers capital improvements. Skills centers shall submit a budget plan to the state board of education and the appropriate fiscal committees of the legislature for proposed expenditures and the proposed expenditures shall conform with state board of education rules and procedures for reimbursement of capital items. Funds not expended by June 30, 2003, shall lapse.

(5)(a) \$30,530,000 of this appropriation is provided solely to enhance the state contribution as follows:

(i) For the state board to increase the eligible square feet allocation by 1.5 square feet for grades 1-12; and

(ii) For the state board to increase the area cost allowance by \$8 per square foot for grades K-12.

(b) If chapter . . . (House Bill No. 2173), Laws of 2001 2nd sp. sess. is not enacted by June 30, 2001, both the appropriation and the state board's authority to increase the eligible square feet and area cost allowance in this subsection (5) shall lapse.

Appropriation:

Common School Construction		
Account—State (FY 2002)	\$	212,040,308
Common School Construction		
Account—State (FY 2003)	\$	226,846,421
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,831,522,031
TOTAL	\$	2,269,909,260

NEW SECTION. Sec. 603. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

State School Construction Assistance Program Staff (02-4-001)

Appropriation:

Common School Construction Account—State	\$	1,930,989
Prior Biennia (Expenditures)	\$	3,457,312
Future Biennia (Projected Costs)	\$	9,554,976
TOTAL	\$	14,943,277

NEW SECTION. Sec. 604. FOR THE STATE SCHOOL FOR THE BLIND

Old Main and Alsten Buildings, HVAC: Upgrade (00-1-002)

Reappropriation:

State Building Construction Account—State	\$	850,000
Prior Biennia (Expenditures)	\$	1,064,160
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,914,160

NEW SECTION. Sec. 605. FOR THE STATE SCHOOL FOR THE BLIND

Irwin, Old Main, Kennedy, and Dry Building Preservation (02-1-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	1,981,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,981,000

NEW SECTION. Sec. 606. FOR THE STATE SCHOOL FOR THE BLIND

School for the Blind: Campus Preservation (02-1-002)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	600,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	3,060,000
TOTAL	\$	3,660,000

NEW SECTION. Sec. 607. FOR THE STATE SCHOOL FOR THE BLIND

Alsten Material Center and Braille Production (02-2-003)

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	2,341,278
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,341,278

NEW SECTION. Sec. 608. FOR THE STATE SCHOOL FOR THE BLIND

Distance Learning Center (02-2-004)

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	2,789,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,789,000

NEW SECTION. Sec. 609. FOR THE STATE SCHOOL FOR THE DEAF

Clark Hall/Lloyd: Upgrade (00-1-006)

Reappropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	400,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,400,000

NEW SECTION. Sec. 610. FOR THE STATE SCHOOL FOR THE DEAF

Clark Hall/Lloyd: Seismic Stabilization (02-1-008)

Reappropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	400,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,400,000

NEW SECTION. Sec. 611. FOR THE STATE SCHOOL FOR THE DEAF

School for the Deaf: Campus Preservation (02-1-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

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State Building Construction Account—State	\$	1,760,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,759,000
TOTAL	\$	3,519,000

***NEW SECTION. Sec. 612. FOR THE STATE SCHOOL FOR THE DEAF**

School for the Deaf: Phase 2B (02-2-001)

The appropriation in this section shall be held in allotment reserve by the office of financial management until completion of the study of capacity planning and educational delivery systems to be performed by the institute for public policy and the joint legislative audit and review committee.

Appropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	17,616,000
TOTAL	\$	18,616,000

*Sec. 612 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 613. FOR THE UNIVERSITY OF WASHINGTON

UW CSE/EE Phase (90-2-013)

The appropriations in this section are subject to the following conditions and limitations:

(1) The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

(2) The appropriation in this section is subject to the University of Washington obtaining sufficient local funds to complete this project.

Reappropriation:

State Building Construction Account—State	\$	7,300,000
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Appropriation:

State Building Construction Account—State	\$	2,700,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	10,000,000

NEW SECTION. Sec. 614. FOR THE UNIVERSITY OF WASHINGTON

Power Plant Boiler No. 7 (96-2-020)

Reappropriation:

State Building Construction Account—State	\$	486,000
Prior Biennia (Expenditures)	\$	3,325,384
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,811,384

NEW SECTION. Sec. 615. FOR THE UNIVERSITY OF WASHINGTON

Minor Works: Safety (98-1-001)

The reappropriation in this section is subject to the conditions and limitations of section 905 of this act.

Reappropriation:

University of Washington Building Account—	
State	\$ 500,000
Prior Biennia (Expenditures)	\$ 2,174,684
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 2,671,684

NEW SECTION. Sec. 616. FOR THE UNIVERSITY OF WASHINGTON

Building Communications: Upgrade (98-2-009)

Reappropriation:

University of Washington Building Account—	
State	\$ 400,000
Prior Biennia (Expenditures)	\$ 285,855
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 685,855

NEW SECTION. Sec. 617. FOR THE UNIVERSITY OF WASHINGTON

Bothell/Cascadia Community College Phase I (98-2-899)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 through 904 of this act. No money may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$ 1,486,336
Prior Biennia (Expenditures)	\$ 43,126,889
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 44,613,225

NEW SECTION. Sec. 618. FOR THE UNIVERSITY OF WASHINGTON

UW Bothell/Cascadia Community College Future Phase (98-2-999)

No money from the reappropriation in this section may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

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Reappropriation:

State Building Construction Account—State	\$	273,645
Prior Biennia (Expenditures)	\$	1,085,268
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,358,913

NEW SECTION. Sec. 619. FOR THE UNIVERSITY OF WASHINGTON

Health Sciences Center BB Tower Elevators (96-1-007)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	5,740,000
University of Washington Building Account—		
State	\$	93,100
Subtotal Reappropriation	\$	5,833,100
Prior Biennia (Expenditures)	\$	715,910
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,549,010

NEW SECTION. Sec. 620. FOR THE UNIVERSITY OF WASHINGTON

Harborview Medical Research Center (94-2-013)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

Higher Education Construction Account—State	\$	2,316,618
State Building Construction Account—State	\$	2,613,678
Subtotal Reappropriation	\$	4,930,296
Prior Biennia (Expenditures)	\$	6,851,453
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,781,749

NEW SECTION. Sec. 621. FOR THE UNIVERSITY OF WASHINGTON

New Law School Building (94-2-017)

The reappropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

Higher Education Construction Account—State	\$	44,801,500
Higher Education Nonproprietary Local		
Capital Account—Private/Local	\$	24,186,000
Subtotal Reappropriation	\$	68,987,500

Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	68,987,500

NEW SECTION. Sec. 622. FOR THE UNIVERSITY OF WASHINGTON

Tacoma Branch Campus (94-2-500)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 through 904 of this act. No money may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	4,456,934
Prior Biennia (Expenditures)	\$	5,472,660
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	9,929,594

NEW SECTION. Sec. 623. FOR THE UNIVERSITY OF WASHINGTON

Classroom Improvements and Minor Works (00-1-001)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act. This reappropriation is a combination of section 616, chapter 379, Laws of 1999, and section 1036, chapter 1, Laws of 2000 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$	1,773,674
University of Washington Building Account—		
State	\$	23,760,694
Subtotal Reappropriation	\$	25,534,368
Prior Biennia (Expenditures)	\$	1,252,792
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	26,787,160

NEW SECTION. Sec. 624. FOR THE UNIVERSITY OF WASHINGTON

UW Bothell 2A/Cascadia Community College (00-2-015)

The reappropriation in this section is subject to the conditions and limitations under sections 902 through 904 of this act. No money from this reappropriation may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

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State Building Construction Account—State	\$	29,123,099
Prior Biennia (Expenditures)	\$	20,976,901
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	50,100,000

NEW SECTION. Sec. 625. FOR THE UNIVERSITY OF WASHINGTON

Tacoma Branch Campus Phase 2A (00-2-017)

The reappropriation in this section is subject to the conditions and limitations of sections 902, 903, 904, and 906 of this act. No money may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	16,000,000
Prior Biennia (Expenditures)	\$	21,635,933
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	37,635,933

NEW SECTION. Sec. 626. FOR THE UNIVERSITY OF WASHINGTON

Tacoma Branch Campus Phase 3 (00-2-021)

No money from the reappropriation in this section may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	100,000
Prior Biennia (Expenditures)	\$	400,000
Future Biennia (Projected Costs)	\$	69,846,000
TOTAL	\$	70,346,000

NEW SECTION. Sec. 627. FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma Land Acquisition (01-2-029)

Reappropriation:

Education Construction Account—State	\$	2,500,000
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Appropriation:

Education Construction Account—State	\$	3,450,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,950,000

NEW SECTION. Sec. 628. FOR THE UNIVERSITY OF WASHINGTON

UW Wire Plant Upgrade (02-1-011)

Appropriation:

University of Washington Building	
Account—State	\$ 2,500,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 10,000,000
TOTAL	\$ 12,500,000

NEW SECTION. Sec. 629. FOR THE UNIVERSITY OF WASHINGTON

Special Projects - Code Requirements (02-1-025)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$ 2,000,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 8,000,000
TOTAL	\$ 10,000,000

NEW SECTION. Sec. 630. FOR THE UNIVERSITY OF WASHINGTON

Minor Repairs Programs (02-1-026)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.
- (2) The University of Washington shall provide \$19,000,000 in local nonappropriated funds for this project.

Appropriation:

State Building Construction Account—State	\$ 1,000,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 4,000,000
TOTAL	\$ 5,000,000

NEW SECTION. Sec. 631. FOR THE UNIVERSITY OF WASHINGTON

Deferred Renewal/Modernization/Current Access (02-1-031)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

University of Washington Building

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Account—State	\$	3,500,000
Education Construction Account—State	\$	6,500,000
Subtotal Appropriation	\$	10,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	48,000,000
TOTAL	\$	58,000,000

NEW SECTION. Sec. 632. FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma - Technology Institute (02-1-150)

This appropriation is being made as part of an assumed \$4,550,000 total equipment capitalization plan. The state share will be released once at least \$3,000,000 in nonstate matching contributions have been raised.

Appropriation:

Education Construction Account—State	\$	550,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	550,000

NEW SECTION. Sec. 633. FOR THE UNIVERSITY OF WASHINGTON

UW Bothell Phase 2B Offramp (02-2-014)

(1) The appropriation in this section is subject to the review and allotment procedures under sections 902 through 904 of this act. No money may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

(2) If funds are appropriated in the 2001-03 omnibus transportation budget for this project, the appropriation in this section shall lapse.

Appropriation:

State Building Construction Account—State	\$	2,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	9,650,000
TOTAL	\$	12,150,000

NEW SECTION. Sec. 634. FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma Phase 2B (02-2-027)

The appropriation in this section is subject to the conditions and limitations of sections 902, 903, and 904 of this act. No money may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Appropriation:

State Building Construction Account—State	\$	40,899,000
University of Washington Building		
Account—State	\$	1,000,000
Subtotal Appropriation	\$	41,899,000
Prior Biennia (Expenditures)	\$	3,450,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	45,349,000

NEW SECTION. Sec. 635. FOR THE UNIVERSITY OF WASHINGTON

UW Bioengineering Research (02-2-028)

The appropriation in this section is subject to the University of Washington providing sufficient evidence to the office of financial management of local revenue to support issuance of bonded debt and accompanying debt service associated with this project.

Appropriation:

Higher Education Construction Account—State	\$	29,025,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	29,025,000

NEW SECTION. Sec. 636. FOR THE UNIVERSITY OF WASHINGTON

Suzzallo Library Renovation (94-1-015)

The appropriations in this section are subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	24,000,000
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Appropriation:

State Building Construction Account—State	\$	1,563,375
University of Washington Building		
Account—State	\$	3,000,000
Subtotal Appropriation	\$	4,563,375
Prior Biennia (Expenditures)	\$	17,415,445
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	45,978,820

NEW SECTION. Sec. 637. FOR THE UNIVERSITY OF WASHINGTON

UW Emergency Power Expansion - Phase I (02-1-009)

Appropriation:

University of Washington Building		
Account—State	\$	11,700,000

Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,700,000

NEW SECTION. Sec. 638. FOR THE UNIVERSITY OF WASHINGTON

UW Medical Center Improvements (99-2-010)

Reappropriation:

Higher Education Construction Account—State	\$	30,000,000
Prior Biennia (Expenditures)	\$	50,000,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	80,000,000

**NEW SECTION. Sec. 639. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Minor Works: Safety and Environmental Projects (00-I-001)**

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	1,750,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,000,000

**NEW SECTION. Sec. 640. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Minor Capital Safety/Environmental (02-1-001)**

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Education Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	4,000,000
TOTAL	\$	5,000,000

**NEW SECTION. Sec. 641. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Minor Works - Preservation (00-1-004)**

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	275,000
Washington State University Building Account—State	\$	1,300,000
Subtotal Reappropriation	\$	1,575,000
Prior Biennia (Expenditures)	\$	4,425,000

Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,000,000

NEW SECTION. Sec. 642. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Americans with Disabilities Act Projects (00-1-011)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	25,000
Prior Biennia (Expenditures)	\$	72,374
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	97,374

NEW SECTION. Sec. 643. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Child Care Facility: Renovation (00-1-039)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Washington State University Building Account—State	\$	2,100,000
Prior Biennia (Expenditures)	\$	1,000,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,100,000

NEW SECTION. Sec. 644. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Scholars Hall/White Hall Renovation: Renovation (00-1-078)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,750,000
Prior Biennia (Expenditures)	\$	5,000,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,750,000

NEW SECTION. Sec. 645. FOR WASHINGTON STATE UNIVERSITY
WSU Branch Campuses - Minor Works: Branch Campuses (00-1-901)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Washington State University Building Account—State	\$	550,000
Prior Biennia (Expenditures)	\$	450,000

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Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,000,000

**NEW SECTION, Sec. 646. FOR WASHINGTON STATE UNIVERSITY
WSU Branch Campuses - Minor Capital Projects (02-1-901)**

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Washington State University Building		
Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	4,000,000
TOTAL	\$	5,000,000

**NEW SECTION, Sec. 647. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Minor Works Program (00-2-002)**

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Washington State University Building		
Account—State	\$	2,800,000
Prior Biennia (Expenditures)	\$	2,200,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,000,000

**NEW SECTION, Sec. 648. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Minor Capital Improvements (02-2-002)**

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Washington State University Building		
Account—State	\$	6,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	28,000,000
TOTAL	\$	34,000,000

**NEW SECTION, Sec. 649. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Equipment Omnibus Acquisition (00-2-003)**

Reappropriation:

Washington State University Building		
Account—State	\$	100,000
Prior Biennia (Expenditures)	\$	3,400,000
Future Biennia (Projected Costs)	\$	0

TOTAL \$ 3,500,000

NEW SECTION. Sec. 650. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Equipment Omnibus Appropriation (02-2-003)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for the purchase of equipment to improve, upgrade, or replace necessary instructional and research apparatus throughout the university.

(2) At least \$1,000,000 of the appropriation shall be used by the college of veterinary medicine for equipment.

Appropriation:

Washington State University Building	
Account—State	\$ 6,000,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 16,000,000
TOTAL	\$ 22,000,000

NEW SECTION. Sec. 651. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Johnson Hall Addition-Plant BioScience Building: New (00-2-007)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

Washington State University Building	
Account—State	\$ 96,500

Appropriation:

State Building Construction Account—State	\$ 3,500,000
Prior Biennia (Expenditures)	\$ 203,500
Future Biennia (Projected Costs)	\$ 45,200,000
TOTAL	\$ 49,000,000

NEW SECTION. Sec. 652. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Shock Physics Building: New Facility (00-2-080)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$ 1,000,000
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Appropriation:

State Building Construction Account—State	\$ 3,540,000
Washington State University Building	
Account—State	\$ 5,875,000
Education Construction Account—State	\$ 1,225,000
Subtotal Appropriation	\$ 10,640,000

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Prior Biennia (Expenditures)	\$	760,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	12,400,000

NEW SECTION, Sec. 653. FOR WASHINGTON STATE UNIVERSITY
WSU Vancouver - Engineering and Life Sciences Building: New Facility
(00-2-904)

The reappropriation in this section is subject to the conditions and limitations of sections 903, 904, and 906 of this act. No money from the reappropriation may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	7,000,000
Prior Biennia (Expenditures)	\$	22,470,650
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	29,470,650

NEW SECTION, Sec. 654. FOR WASHINGTON STATE UNIVERSITY
WSU Vancouver - Student Services Center: New Facility (00-2-905)

The appropriations in this section are subject to the conditions and limitations of sections 903, 904, and 906 of this act. No money from the appropriations may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	55,213
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Appropriation:

State Building Construction Account—State	\$	1,500,000
Prior Biennia (Expenditures)	\$	194,787
Future Biennia (Projected Costs)	\$	14,001,000
TOTAL	\$	15,751,000

NEW SECTION, Sec. 655. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Minor Capital Preservation/Renewal (02-1-004)

The appropriation in this section is subject to the conditions and limitations of section 905 of this act.

Appropriation:

Washington State University Building		
Account—State	\$	3,000,000
Education Construction Account—State	\$	3,000,000
Subtotal Appropriation	\$	6,000,000
Prior Biennia (Expenditures)	\$	0

Future Biennia (Projected Costs)	\$	28,000,000
TOTAL	\$	34,000,000

**NEW SECTION. Sec. 656. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Campus Infrastructure: Preservation (98-1-073)**

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Washington State University Building		
Account—State	\$	2,044,984
Prior Biennia (Expenditures)	\$	1,505,016
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,550,000

**NEW SECTION. Sec. 657. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Campus Infrastructure: Preservation (02-1-073)**

The appropriation in this section is subject to the conditions and limitations of section 905 of this act.

Appropriation:

Washington State University Building		
Account—State	\$	2,019,300
State Building Construction Account—State	\$	9,460,000
Subtotal Appropriation	\$	11,479,300
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	24,000,000
TOTAL	\$	35,479,300

**NEW SECTION. Sec. 658. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Energy Plant - Heat: Renovation (02-1-501)**

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

(2)(a) Any agreement or contract for the modernization or replacement of the existing steam generation plant currently located on the Pullman campus must comply with chapter 39.35C RCW. Prior to entering into an agreement or contract obligating itself on this project, the university shall have the project reviewed by the appropriate staff of the energy division of the department of community, trade, and economic development and the department of general administration, and shall consider any comments and suggestions made by these departments. If the project involves a private energy development firm, the following issues shall be considered in the development and implementation of the project:

- (i) Regional and local utility needs for power;

- (ii) Cost and certainty of fuel supplies;
- (iii) Value of electricity produced and options for sale of surplus electricity;
- (iv) The capability of the university to own and operate the facility should the private party terminate its involvement;
- (v) Costs associated with interconnection with the local electric utility's transmission system;
- (vi) Capability of the local electric utility to wheel electricity generated by the facility and the costs associated with wheeling;
- (vii) Potential financial risks to the state or the university and measures to mitigate any risks; and
- (viii) Benefits to the state and the university from the project including design configuration, ownership arrangement, operations, and financial arrangements for the project based on the selection of project participants.

(b) The university shall report to the office of financial management and the energy and fiscal committees of the legislature on the development and implementation of this project, including consideration of the issues and the agency suggestions under subsection (2)(a) of this section, in December of 2001 and 2002.

Appropriation:

State Building Construction Account—State	\$	23,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	23,000,000

NEW SECTION, Sec. 659. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - WSUnet Infrastructure (98-2-074)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

Washington State University Building		
Account—State	\$	100,000
Prior Biennia (Expenditures)	\$	6,975,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,075,000

NEW SECTION, Sec. 660. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - WSUnet Infrastructure (02-2-074)

Appropriation:

Washington State University Building		
Account—State	\$	4,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	18,000,000
TOTAL	\$	22,000,000

**NEW SECTION. Sec. 661. FOR WASHINGTON STATE UNIVERSITY
WSU Vancouver - Multimedia/Electronic Communication Classroom
Building: (02-2-907)**

The appropriation in this section is subject to the conditions and limitations of sections 902 through 904 of this act. No money from the appropriation may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Appropriation:

State Building Construction Account—State	\$	12,900,000
Washington State University Building Account—		
State	\$	3,000,000
Subtotal Appropriation	\$	15,900,000
Prior Biennia (Expenditures)	\$	600,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	16,500,000

**NEW SECTION. Sec. 662. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Bohler Renovation: Renovation (94-1-010)**

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

Washington State University Building		
Account—State	\$	98,845
Prior Biennia (Expenditures)	\$	1,249,412
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,348,257

**NEW SECTION. Sec. 663. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Kimbrough Hall Renovation/Addition: Renovation
(94-2-019)**

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	89,475
Washington State University Building		
Account—State	\$	121,875
Subtotal Reappropriation	\$	211,350
Prior Biennia (Expenditures)	\$	11,521,650
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,733,000

NEW SECTION. Sec. 664. FOR WASHINGTON STATE UNIVERSITY

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WSU Pullman - Infrastructure: Savings (94-1-999)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	496,542
Prior Biennia (Expenditures)	\$	214,924
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	711,466

NEW SECTION, Sec. 665. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Hazardous Waste Facilities - Statewide: New (94-2-006)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

Washington State University Building		
Account—State	\$	3,400,000
Prior Biennia (Expenditures)	\$	1,100,001
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,500,001

NEW SECTION, Sec. 666. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Cleveland Hall Renovation/Addition (98-2-032)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	400,000
Future Biennia (Projected Costs)	\$	10,210,000
TOTAL	\$	11,610,000

NEW SECTION, Sec. 667. FOR WASHINGTON STATE UNIVERSITY
WSU Pullman - Murrow Hall Addition: New Facility (98-2-008)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,250,000
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Appropriation:

State Building Construction Account—State	\$	10,910,000
Prior Biennia (Expenditures)	\$	400,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	12,560,000

NEW SECTION, Sec. 668. FOR WASHINGTON STATE UNIVERSITY

WSU Pullman - Teaching and Learning Center: New Facility (98-2-062)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	8,000,000
Prior Biennia (Expenditures)	\$	22,870,175
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	30,870,175

**NEW SECTION. Sec. 669. FOR WASHINGTON STATE UNIVERSITY
WSU Spokane - Health Sciences Building: New Facility (98-2-903)**

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act. No money from the reappropriation may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Higher Education Construction Account—State	\$	13,500,000
Prior Biennia (Expenditures)	\$	22,800,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	36,300,000

**NEW SECTION. Sec. 670. FOR WASHINGTON STATE UNIVERSITY
WSU Vancouver - Phase 2 Construction (98-2-911)**

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act. No money from the reappropriation may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	1,350,000
Prior Biennia (Expenditures)	\$	11,715,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	13,065,000

**NEW SECTION. Sec. 671. FOR WASHINGTON STATE UNIVERSITY
WSU Spokane Riverpoint - Academic Center Building: New Facility (00-2-906)**

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	2,000,000
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Prior Biennia (Expenditures)	\$	250,000
Future Biennia (Projected Costs)	\$	42,729,000
TOTAL	\$	44,979,000

NEW SECTION. Sec. 672. FOR EASTERN WASHINGTON UNIVERSITY

EWU Senior Hall Design (00-1-003)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	43,000
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Appropriation:

State Building Construction Account—State	\$	1,211,000
Prior Biennia (Expenditures)	\$	57,000
Future Biennia (Projected Costs)	\$	13,999,000
TOTAL	\$	15,310,000

NEW SECTION. Sec. 673. FOR EASTERN WASHINGTON UNIVERSITY

EWU Minor Works Programs (00-2-002)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Eastern Washington University Capital Projects Account—State	\$	1,210,000
Prior Biennia (Expenditures)	\$	980,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,190,000

NEW SECTION. Sec. 674. FOR EASTERN WASHINGTON UNIVERSITY

EWU Childcare Center (00-2-003)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	47,000
Eastern Washington University Capital Projects Account—State	\$	546,000
Subtotal Reappropriation	\$	593,000
Prior Biennia (Expenditures)	\$	546,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,139,000

NEW SECTION. Sec. 675. FOR EASTERN WASHINGTON UNIVERSITY

EWU Cheney Hall - Design (00-2-009)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

Eastern Washington University Capital Projects	
Account—State	\$ 225,000

Appropriation:

State Building Construction Account—State	\$ 3,600,000
Prior Biennia (Expenditures)	\$ 75,000
Future Biennia (Projected Costs)	\$ 24,000,000
TOTAL	\$ 27,900,000

NEW SECTION. Sec. 676. FOR EASTERN WASHINGTON UNIVERSITY

EWU Infrastructure Preservation (98-1-007)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$ 725,000
Prior Biennia (Expenditures)	\$ 3,831,879
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 4,556,879

NEW SECTION. Sec. 677. FOR EASTERN WASHINGTON UNIVERSITY

EWU Infrastructure Preservation (02-1-002)

The appropriation in this section is subject to the conditions and limitations of section 905 of this act.

Appropriation:

Education Construction Account—State	\$ 5,000,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 21,000,000
TOTAL	\$ 26,000,000

NEW SECTION. Sec. 678. FOR EASTERN WASHINGTON UNIVERSITY

Minor Works: Preservation (00-1-004)

The reappropriation in this section is subject to the conditions and limitations of section 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$ 74,000
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Eastern Washington University Capital Projects	
Account—State	\$ 1,375,000
Subtotal Reappropriation	\$ 1,449,000
Prior Biennia (Expenditures)	\$ 926,000
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 2,375,000

NEW SECTION. Sec. 679. FOR EASTERN WASHINGTON UNIVERSITY

EWU Minor Works Preservation (02-1-003)

The appropriations in this section are subject to the conditions and limitations of section 905 of this act.

Appropriation:

State Building Construction Account—State	\$ 2,000,000
Eastern Washington University Capital Projects	
Account—State	\$ 3,000,000
Subtotal Appropriation	\$ 5,000,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 21,000,000
TOTAL	\$ 26,000,000

NEW SECTION. Sec. 680. FOR EASTERN WASHINGTON UNIVERSITY

EWU Roof Replacement (02-1-004)

Appropriation:

State Building Construction Account—State	\$ 2,619,000
Prior Biennia (Expenditures)	\$ 2,425,000
Future Biennia (Projected Costs)	\$ 6,000,000
TOTAL	\$ 11,044,000

NEW SECTION. Sec. 681. FOR EASTERN WASHINGTON UNIVERSITY

EWU HVAC Systems Upgrade (02-1-007)

Appropriation:

State Building Construction Account—State	\$ 3,000,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 5,500,000
TOTAL	\$ 8,500,000

NEW SECTION. Sec. 682. FOR EASTERN WASHINGTON UNIVERSITY

EWU Water System Preservation and Expansion (02-1-008)

Appropriation:

State Building Construction Account—State	\$ 2,236,000
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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	7,500,000
TOTAL	\$	9,736,000

NEW SECTION. Sec. 683. FOR EASTERN WASHINGTON UNIVERSITY

EWU Property Acquisition (02-2-001)

Appropriation:

Eastern Washington University Capital Projects		
Account—State	\$	650,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,000,000
TOTAL	\$	1,650,000

NEW SECTION. Sec. 684. FOR EASTERN WASHINGTON UNIVERSITY

EWU Campus Network Upgrade (02-2-004)

Appropriation:

State Building Construction Account—State	\$	2,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	4,000,000
TOTAL	\$	6,500,000

NEW SECTION. Sec. 685. FOR EASTERN WASHINGTON UNIVERSITY

EWU Classroom Renewal (96-2-001)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

Eastern Washington University Capital Projects		
Account—State	\$	143,000
Prior Biennia (Expenditures)	\$	801,838
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	944,838

NEW SECTION. Sec. 686. FOR EASTERN WASHINGTON UNIVERSITY

EWU Classroom Renewal (02-2-007)

The appropriation in this section is subject to the conditions and limitations of section 905 of this act.

Appropriation:

State Building Construction Account—State	\$	1,566,000
Eastern Washington University Capital Projects		
Account—State	\$	800,000

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Subtotal Appropriation	\$	2,366,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	13,400,000
TOTAL	\$	15,766,000

NEW SECTION. Sec. 687. FOR EASTERN WASHINGTON UNIVERSITY

EWU Minor Works Programs (02-2-008)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	515,000
Eastern Washington University Capital Projects		
Account—State	\$	1,703,000
Subtotal Appropriation	\$	2,218,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	10,800,000
TOTAL	\$	13,018,000

NEW SECTION. Sec. 688. FOR EASTERN WASHINGTON UNIVERSITY

EWU Monroe Hall Renovation (96-1-002)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	2,617,000
Eastern Washington University Capital Projects		
Account—State	\$	125,000
Subtotal Reappropriation	\$	2,742,000
Prior Biennia (Expenditures)	\$	5,514,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	8,256,000

NEW SECTION. Sec. 689. FOR EASTERN WASHINGTON UNIVERSITY

EWU Water System Preservation and Expansion (98-1-002)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

Eastern Washington University Capital Projects		
Account—State	\$	615,000
Prior Biennia (Expenditures)	\$	265,000
Future Biennia (Projected Costs)	\$	0

TOTAL \$ 880,000

NEW SECTION. Sec. 690. FOR EASTERN WASHINGTON UNIVERSITY

EWU Boiler Plant Expansion/Upgrade (98-1-011)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	4,695,000
Prior Biennia (Expenditures)	\$	2,327,844
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,022,844

NEW SECTION. Sec. 691. FOR EASTERN WASHINGTON UNIVERSITY

EWU Hargreaves Hall Renovation (02-1-005)

The appropriation in this section is provided to conduct a predesign of the project described in this section in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submittal of completed predesign requirements on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	75,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	11,337,000
TOTAL	\$	11,412,000

NEW SECTION. Sec. 692. FOR CENTRAL WASHINGTON UNIVERSITY

Electrical Utility: Upgrades (98-1-110)

The reappropriation in this section is subject to the review and allotment procedures under sections 902, 903, and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	2,200,000
Prior Biennia (Expenditures)	\$	2,842,824
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,042,824

NEW SECTION. Sec. 693. FOR CENTRAL WASHINGTON UNIVERSITY

Music Facility (00-2-001)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

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Reappropriation:

State Building Construction Account—State \$ 1,200,000

Appropriation:

Education Construction Account—State \$ 14,000,000
Prior Biennia (Expenditures) \$ 1,225,000
Future Biennia (Projected Costs) \$ 14,000,000
TOTAL \$ 30,425,000

NEW SECTION. Sec. 694. FOR CENTRAL WASHINGTON UNIVERSITY

Minor Works Program (00-2-110)

The reappropriation in this section is subject to the conditions and limitations of section 905 and 906 of this act.

Reappropriation:

Central Washington University Capital Projects
Account—State \$ 850,000
Prior Biennia (Expenditures) \$ 2,150,000
Future Biennia (Projected Costs) \$ 0
TOTAL \$ 3,000,000

NEW SECTION. Sec. 695. FOR CENTRAL WASHINGTON UNIVERSITY

Fiber Optic Backbone Upgrade (00-2-130)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

Central Washington University Capital Projects
Account—State \$ 150,000
Prior Biennia (Expenditures) \$ 0
Future Biennia (Projected Costs) \$ 0
TOTAL \$ 150,000

NEW SECTION. Sec. 696. FOR CENTRAL WASHINGTON UNIVERSITY

Minor Works Preservation (00-1-120)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

Central Washington University Capital Projects
Account—State \$ 740,000
Prior Biennia (Expenditures) \$ 2,260,000
Future Biennia (Projected Costs) \$ 0
TOTAL \$ 3,000,000

NEW SECTION. Sec. 697. FOR CENTRAL WASHINGTON UNIVERSITY

Omnibus Preservation (02-1-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Central Washington University Capital Projects	
Account—State	\$ 3,775,000
Prior Biennia (Expenditures)	0
Future Biennia (Projected Costs)	\$ 17,471,000
TOTAL	\$ 21,246,000

NEW SECTION. Sec. 698. FOR CENTRAL WASHINGTON UNIVERSITY

Infrastructure Savings (02-1-002)

Projects that are completed in accordance with section 915 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State	\$ 1
Prior Biennia (Expenditures)	0
Future Biennia (Projected Costs)	0
TOTAL	\$ 1

NEW SECTION. Sec. 699. FOR CENTRAL WASHINGTON UNIVERSITY

Randall/Michaelsen Life Safety and Mechanical System Improvements (02-1-003)

The appropriation in this section is subject to the conditions and limitations of section 906 of this act.

Appropriation:

Education Construction Account—State	\$ 3,800,000
Prior Biennia (Expenditures)	0
Future Biennia (Projected Costs)	0
TOTAL	\$ 3,800,000

NEW SECTION. Sec. 700. FOR CENTRAL WASHINGTON UNIVERSITY

McConnell Stage and Classroom Remodel (02-1-004)

The appropriation in this section is subject to the conditions and limitations of section 906 of this act.

Appropriation:

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State Building Construction Account—State	\$	2,100,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,100,000

NEW SECTION. Sec. 701. FOR CENTRAL WASHINGTON UNIVERSITY

Omnibus - Program (02-2-002)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Central Washington University Capital Projects		
Account—State	\$	3,750,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	12,559,000
TOTAL	\$	16,309,000

NEW SECTION. Sec. 702. FOR CENTRAL WASHINGTON UNIVERSITY

Steam/Electric/Chilled Water/Fiber Optic (98-1-120)

The appropriations in this section are subject to the conditions and limitations of section 906 of this act.

Appropriation:

State Building Construction Account—State	\$	6,000,000
Education Construction Account—State	\$	2,000,000
Subtotal Appropriation	\$	8,000,000
Prior Biennia (Expenditures)	\$	1,500,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	9,500,000

NEW SECTION. Sec. 703. FOR CENTRAL WASHINGTON UNIVERSITY

Lynnwood Higher Education Center (98-2-080)

The reappropriation in this section is subject to the conditions and limitations of sections 902, 903, and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	4,000,000
Central Washington University Capital Projects		
Account—State	\$	1,000,000
Subtotal Reappropriation	\$	5,000,000
Prior Biennia (Expenditures)	\$	875,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,875,000

NEW SECTION. Sec. 704. FOR CENTRAL WASHINGTON UNIVERSITY

CWU/Highline Higher Education Center (02-2-101)

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	2,500,000
Prior Biennia (Expenditures)	\$	75,000
Future Biennia (Projected Costs)	\$	10,000,000
TOTAL	\$	12,575,000

NEW SECTION. Sec. 705. FOR THE EVERGREEN STATE COLLEGE

Minor Works: Safety and Code (00-1-001)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	226,000
Prior Biennia (Expenditures)	\$	1,674,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,900,000

NEW SECTION. Sec. 706. FOR THE EVERGREEN STATE COLLEGE

Infrastructure Project: Savings (00-1-004)

Reappropriation:

State Building Construction Account—State	\$	249,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	249,000

NEW SECTION. Sec. 707. FOR THE EVERGREEN STATE COLLEGE

Minor Works Preservation (00-1-002)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

The Evergreen State College Capital Projects Account—State	\$	832,630
Prior Biennia (Expenditures)	\$	2,767,370
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,600,000

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NEW SECTION. Sec. 708. FOR THE EVERGREEN STATE COLLEGE

Minor Works Preservation (02-1-014)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

The Evergreen State College Capital Projects	
Account—State	\$ 2,200,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 22,000,000
TOTAL	\$ 24,200,000

NEW SECTION. Sec. 709. FOR THE EVERGREEN STATE COLLEGE

Emergency Repairs (02-1-003)

Appropriation:

The Evergreen State College Capital Projects	
Account—State	\$ 560,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 2,700,000
TOTAL	\$ 3,260,000

NEW SECTION. Sec. 710. FOR THE EVERGREEN STATE COLLEGE

Life Safety/Code Compliance (02-1-013)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

The Evergreen State College Capital Projects	
Account—State	\$ 2,500,000
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 13,000,000
TOTAL	\$ 15,500,000

NEW SECTION. Sec. 711. FOR THE EVERGREEN STATE COLLEGE

Minor Works Program (02-2-002)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

The Evergreen State College Capital Projects	
Account—State	\$ 450,000

Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,800,000
TOTAL	\$	2,250,000

NEW SECTION. Sec. 712. FOR THE EVERGREEN STATE COLLEGE

Seminar Building Phase 2 - Construction (02-2-004)

The appropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	37,550,000
Education Construction Account—State	\$	2,750,000
The Evergreen State College Capital		
Projects Account—State	\$	700,000
Subtotal Appropriation	\$	41,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	41,000,000

NEW SECTION. Sec. 713. FOR THE EVERGREEN STATE COLLEGE

COM Building Renovation and Expansion (02-2-011)

The appropriation in this section is provided to conduct a predesign of the project described in this section in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submittal of completed predesign requirements on or before July 1, 2002.

Appropriation:

The Evergreen State College Capital Projects		
Account—State	\$	100,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	15,750,000
TOTAL	\$	15,850,000

NEW SECTION. Sec. 714. FOR WESTERN WASHINGTON UNIVERSITY

Infrastructure Projects: Savings (94-1-999)

Reappropriation:

State Building Construction Account—State	\$	249,801
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	249,801

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NEW SECTION. Sec. 715. FOR WESTERN WASHINGTON UNIVERSITY

Infrastructure Savings (02-1-999)

Projects that are completed in accordance with section 915 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State	\$	1
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1

NEW SECTION. Sec. 716. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works: Preservation (00-1-068)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,500,000
Prior Biennia (Expenditures)	\$	3,000,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,500,000

NEW SECTION. Sec. 717. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works: Preservation - Infrastructure (02-1-070)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	3,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	20,000,000
TOTAL	\$	23,000,000

NEW SECTION. Sec. 718. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works: Preservation - Safety (02-1-071)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account--State	\$	3,000,000
Prior Biennia (Expenditures)	\$	0

Future Biennia (Projected Costs)	\$	20,000,000
TOTAL	\$	23,000,000

NEW SECTION. Sec. 719. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works: Program (00-2-069)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

Western Washington University Capital		
Projects Account—State	\$	3,000,000
Prior Biennia (Expenditures)	\$	3,730,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,730,000

NEW SECTION. Sec. 720. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works: Program (02-2-072)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Western Washington University Capital Projects		
Account—State	\$	6,831,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	40,000,000
TOTAL	\$	46,831,000

NEW SECTION. Sec. 721. FOR WESTERN WASHINGTON UNIVERSITY

Campus Services Facility (96-2-025)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	8,300,000
Prior Biennia (Expenditures)	\$	2,887,050
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,187,050

NEW SECTION. Sec. 722. FOR WESTERN WASHINGTON UNIVERSITY

Integrated Signal Distribution (96-2-056)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

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Reappropriation:

State Building Construction Account—State	\$	1,700,000
Prior Biennia (Expenditures)	\$	11,548,250
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	13,248,250

NEW SECTION. Sec. 723. FOR WESTERN WASHINGTON UNIVERSITY

Campus Infrastructure Development (98-2-024)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,200,000
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Appropriation:

State Building Construction Account—State	\$	11,000,000
Western Washington University Capital Projects Account—State	\$	669,000
Subtotal Appropriation	\$	11,669,000
Prior Biennia (Expenditures)	\$	1,250,000
Future Biennia (Projected Costs)	\$	8,780,000
TOTAL	\$	22,899,000

NEW SECTION. Sec. 724. FOR WESTERN WASHINGTON UNIVERSITY

Communications Facility (98-2-053)

The appropriations in this section are subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	2,500,000
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Appropriation:

State Building Construction Account—State	\$	27,519,000
Education Construction Account—State	\$	5,000,000
Subtotal Appropriation	\$	32,519,000
Prior Biennia (Expenditures)	\$	1,454,400
Future Biennia (Projected Costs)	\$	4,000,000
TOTAL	\$	40,473,400

NEW SECTION. Sec. 725. FOR WESTERN WASHINGTON UNIVERSITY

Academic Instructional Center (02-2-026)

The appropriation in this section is provided to conduct a predesign of the project described in this section in accordance with the predesign manual published by the office of financial management. Future appropriations for this

project are subject to the submittal of completed predesign requirements on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	115,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	40,665,000
TOTAL	\$	40,780,000

NEW SECTION. Sec. 726. FOR THE HIGHER EDUCATION COORDINATING BOARD

NSIS Consortium Development (00-2-001)

Reappropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,000,000

NEW SECTION. Sec. 727. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Stadium Way Facility: Seismic (96-1-102)

Reappropriation:

State Building Construction Account—State	\$	120,000
Prior Biennia (Expenditures)	\$	4,545,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,665,000

NEW SECTION. Sec. 728. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

State Capital Museum: Preservation (98-1-001)

Reappropriation:

State Building Construction Account—State	\$	69,000
Prior Biennia (Expenditures)	\$	415,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	484,000

NEW SECTION. Sec. 729. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Olympia - State Capital Museum Preservation (02-1-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	238,679
Prior Biennia (Expenditures)	\$	0

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Future Biennia (Projected Costs)	\$	129,423
TOTAL	\$	368,102

NEW SECTION. Sec. 730. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Tacoma - State History Museum Preservation Projects (02-1-002)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	373,016
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,738,605
TOTAL	\$	2,111,621

NEW SECTION. Sec. 731. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Tacoma - Stadium Way Research Center Preservation Projects (02-1-004)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	339,847
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	527,721
TOTAL	\$	867,568

NEW SECTION. Sec. 732. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Lewis and Clark Trail Interpretive Infrastructure Grant Program (02-4-001)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided for development of station camp 1805 as a national historic park in conjunction with the projected relocation of highway 101 in Pacific county. If full capitalization of this project is not accomplished by federal/state/local and private partners by June 30, 2002, the Lewis and Clark bicentennial advisory committee may distribute this sum to other priority projects along the trail using criteria they may establish.

Appropriation:

State Building Construction Account—State	\$	1,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,000,000
TOTAL	\$	2,000,000

NEW SECTION. Sec. 733. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Washington Heritage Projects (98-2-004)

The reappropriation in this section shall support the projects as listed in section 748, chapter 379, Laws of 1999.

Reappropriation:

State Building Construction Account—State	\$	1,200,000
Prior Biennia (Expenditures)	\$	8,978,904
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	10,178,904

NEW SECTION. Sec. 734. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Washington Heritage Projects (02-4-004)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is subject to the provisions of RCW 27.34.330.
- (2) The appropriation is provided for the following list of projects:

Organization	Total Amount Recommended	Project Cost
Jefferson County Historical Society - Bell Tower	\$ 100,000	386,083
Spokane Parks and Recreation - Corbin and Moore-Turner Heritage Gardens	54,437	266,831
Clallam County Historical Society - Lincoln School	83,500	250,000
Orcas Island Historical Society - Museum	54,136	167,604
Gig Harbor Peninsula Historical Society - Heritage and Arts Center	400,000	7,301,518
Vashon-Maury Island Historical Society - Heritage Museum	175,000	526,879
Loon Lake Historical Society - Old Schoolhouse	8,292	29,896
Northwest School of Wooden Boatbuilding - Port Hadlock	97,500	463,832
Drayton Harbor Maritime Group - Dock Restoration and Replacement	216,790	650,372
Historic Seattle PDA - Dearborn House	200,000	2,131,227
Vancouver National Historic Reserve - American Red Cross House	400,000	2,195,000
Maritime Heritage Foundation - Historic Ship Wharf	400,000	2,031,000
Cowlitz County Museum - Museum Expansion and Remodel	350,000	1,059,152
Mansfield Museum and Historical Society - Museum Renovation	10,916	35,750
Fox Island Chapel - Chapel on Echo Bay	49,665	149,000
Kirkman House Museum - Museum Repair and Stabilization	20,000	64,080
City of Mount Vernon - Lincoln Theatre	250,000	1,535,082
Squaxin Island Tribe - Tu HaButs Cultural Center - Phase 2	225,000	1,734,000
Western Forest Industries Museum - Train Shed and Baldwin Locomotive	150,000	450,000
Steamer Virginia V Foundation - Restoration of		

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Virginia V	100,000	4,077,663
Ferry County Fair Association - Carousel Restoration	60,000	190,500
White River Valley Museum - Olson Farm	200,000	1,647,750
Alderwood Manor Heritage Association - Superintendent's Cottage	24,000	150,000
Kitsap County Historical Society Museum - Storage Systems for Artifacts	70,000	516,422
Kalakala Foundation - Dry-dock and Renovation Phase	100,000	2,321,550
Museum of Flight	50,000	5,009,667
Friends of Skamokawa	9,900	30,199
City of Raymond	239,000	719,000
City of Morton	100,000	301,230
Total	\$ 4,198,136	35,864,408

Appropriation:

State Building Construction Account—State	\$	4,198,136
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	16,000,000
TOTAL	\$	20,198,136

NEW SECTION. Sec. 735. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Cheney Cowles Museum: Preservation (02-1-002)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	250,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	1,000,000
TOTAL	\$	1,250,000

NEW SECTION. Sec. 736. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Cheney Cowles Museum: Addition and Remodel (98-2-001)

The reappropriation in this section is subject to the conditions and limitations of sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	8,150,774
Prior Biennia (Expenditures)	\$	11,033,406
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	19,184,180

NEW SECTION. Sec. 737. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Project Artwork Consolidation Account (96-2-400)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	92,634
Prior Biennia (Expenditures)	\$	71,788
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	164,422

NEW SECTION. Sec. 738. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

North Seattle Community College - Vocational/Child Care Building: Construction (96-2-651)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	877,226
Prior Biennia (Expenditures)	\$	7,016,077
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,893,303

NEW SECTION. Sec. 739. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Everett Community College - Instructional Technical Center: Construction (96-2-652)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	931,266
Prior Biennia (Expenditures)	\$	941,435
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,872,701

NEW SECTION. Sec. 740. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Seattle Community College - Integrated Learning Assistance Resource Center: Construction (96-2-653)

The reappropriation in this section is subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	520,099
Prior Biennia (Expenditures)	\$	3,928,519
Future Biennia (Projected Costs)	\$	0

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TOTAL \$ 4,448,618

NEW SECTION. Sec. 741. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic College - Poulsbo Center: Construction (96-2-654)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	12,932,340
Prior Biennia (Expenditures)	\$	114,335
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	13,046,675

NEW SECTION. Sec. 742. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clover Park - Transportation Trade: Construction (96-2-662)

The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	955,049
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Appropriation:

State Building Construction Account—State	\$	16,784,000
Prior Biennia (Expenditures)	\$	306,351
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	18,045,400

NEW SECTION. Sec. 743. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clover Park Technical College - Aviation Trades Complex: Construction (96-2-998)

The reappropriation in this section is subject to the conditions and limitations under section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	2,497,614
Community and Technical College Capital Projects		
Account—State	\$	1,338,879
Subtotal Reappropriation	\$	3,836,493
Prior Biennia (Expenditures)	\$	6,021,159
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	9,857,652

NEW SECTION. Sec. 744. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Underground Storage Tanks (98-1-003)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	132,055
Prior Biennia (Expenditures)	\$	77,950
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	210,005

NEW SECTION. Sec. 745. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bates Technical College: Renovation (98-1-190)

Reappropriation:

State Building Construction Account—State	\$	78,915
Prior Biennia (Expenditures)	\$	6,815,502
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,894,417

NEW SECTION. Sec. 746. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic College - Library: Replacement (98-2-500)

Reappropriation:

State Building Construction Account—State	\$	89,666
Prior Biennia (Expenditures)	\$	2,480,944
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,570,610

NEW SECTION. Sec. 747. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Highline Community College - Classroom/Laboratory Building: Construction (98-2-660)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	4,748,626
Education Construction Account—State	\$	1,315,000
Subtotal Reappropriation	\$	6,063,626
Prior Biennia (Expenditures)	\$	1,151,374
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,215,000

NEW SECTION. Sec. 748. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Community College - Allied Health Building: Addition (98-2-661)

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The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	5,203,134
Prior Biennia (Expenditures)	\$	5,833,641
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,036,775

NEW SECTION. Sec. 749. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellingham Technical College - Health/Business Building: New Facility (98-2-672)

The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	661,660
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Appropriation:

State Building Construction Account—State	\$	8,086,600
Prior Biennia (Expenditures)	\$	188,339
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	8,936,599

NEW SECTION. Sec. 750. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lake Washington - Phase 3: New Facility (98-2-673)

The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	642,251
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Appropriation:

State Building Construction Account—State	\$	15,840,000
Prior Biennia (Expenditures)	\$	522,749
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	17,005,000

NEW SECTION. Sec. 751. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Renton Technical College - Technology Resource Center (98-2-674)

The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	663,699
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Appropriation:

State Building Construction Account—State	\$	10,591,000
Prior Biennia (Expenditures)	\$	516,301
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,771,000

NEW SECTION. Sec. 752. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Skagit Valley College - Whidbey Higher Education Center (98-2-675)

The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	455,201
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Appropriation:

State Building Construction Account—State	\$	9,175,300
Prior Biennia (Expenditures)	\$	289,112
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	9,919,613

NEW SECTION. Sec. 753. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Cascadia Community College/University of Washington Bothell: Construction (98-2-999)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 through 904 of this act. No money from the reappropriation in this section may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	1,664,903
Prior Biennia (Expenditures)	\$	28,384,506
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	30,049,409

NEW SECTION. Sec. 754. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Centralia College - Instructional Building: Replacement (99-2-001)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	7,262,736
Prior Biennia (Expenditures)	\$	7,137,264
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	14,400,000

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NEW SECTION. Sec. 755. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Columbia Basin College - Electrical Substation (99-H-004)

Reappropriation:

State Building Construction Account—State	\$	770,134
Prior Biennia (Expenditures)	\$	229,866
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,000,000

NEW SECTION. Sec. 756. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Repair and Minor Improvements (98-1-001)

Reappropriation:

State Building Construction Account—State	\$	367,779
Prior Biennia (Expenditures)	\$	2,037,224
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,405,003

NEW SECTION. Sec. 757. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

HVAC Repairs (98-1-040)

Reappropriation:

State Building Construction Account—State	\$	289,513
Prior Biennia (Expenditures)	\$	1,178,354
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,467,867

NEW SECTION. Sec. 758. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Mechanical Repairs (98-1-070)

Reappropriation:

State Building Construction Account—State	\$	322,215
Prior Biennia (Expenditures)	\$	128,190
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	450,405

NEW SECTION. Sec. 759. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Electrical Repairs (98-1-090)

Reappropriation:

State Building Construction Account—State	\$	807,423
Prior Biennia (Expenditures)	\$	1,070,769
Future Biennia (Projected Costs)	\$	0

TOTAL \$ 1,878,192

NEW SECTION. Sec. 760. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Exterior Repairs (98-1-110)

Reappropriation:

State Building Construction Account—State	\$	1,131,342
Prior Biennia (Expenditures)	\$	1,310,007
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,441,349

NEW SECTION. Sec. 761. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Interior Repairs (98-1-130)

Reappropriation:

State Building Construction Account—State	\$	592,634
Prior Biennia (Expenditures)	\$	256,037
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	848,671

NEW SECTION. Sec. 762. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Statewide Minor Works: Preservation (00-1-001)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Community and Technical College Capital Projects Account—State	\$	5,060,145
Prior Biennia (Expenditures)	\$	6,639,855
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	11,700,000

NEW SECTION. Sec. 763. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Roof Repairs (98-1-010)

The reappropriation in this section is provided for Corbert Hall at Centralia College, subject to the conditions and limitations of section 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,800,360
Prior Biennia (Expenditures)	\$	1,477,124
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,277,484

NEW SECTION. Sec. 764. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Statewide Roof Repairs: Infrastructure Improvements (00-1-010)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

Community and Technical College Capital Projects	
Account—State	\$ 2,064,310
Prior Biennia (Expenditures)	\$ 2,532,690
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 4,597,000

NEW SECTION. Sec. 765. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Statewide Facility Repairs (00-1-050)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$ 12,964,850
Community and Technical College Capital Projects	
Account—State	\$ 2,285,563
Subtotal Reappropriation	\$ 15,250,413
Prior Biennia (Expenditures)	\$ 12,149,587
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 27,400,000

NEW SECTION. Sec. 766. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Statewide Site Repairs (00-1-090)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the conditions and limitations set forth in section 753, chapter 379, Laws of 1999.

(2) The reappropriation is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$ 2,209,931
Prior Biennia (Expenditures)	\$ 1,632,069
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 3,842,000

NEW SECTION. Sec. 767. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Improvements (98-2-200)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	1,278,167
Prior Biennia (Expenditures)	\$	3,025,487
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,303,654

NEW SECTION. Sec. 768. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Statewide Minor Works: Program (00-1-130)

The reappropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Reappropriation:

State Building Construction Account—State	\$	5,285,830
Community and Technical College Capital Projects		
Account—State	\$	531,792
Subtotal Reappropriation	\$	5,817,622
Prior Biennia (Expenditures)	\$	11,032,378
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	16,850,000

NEW SECTION. Sec. 769. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce College - Portable Buildings: Replacement (00-1-223)

The reappropriation in this section is subject to the conditions and limitations under sections 902 and 903 of this act.

Reappropriation:

Community and Technical College Capital Projects		
Account—State	\$	5,327,170
Prior Biennia (Expenditures)	\$	312,830
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,640,000

NEW SECTION. Sec. 770. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Edmonds Community College - Relocatable Buildings: Replacement (00-1-236)

The reappropriation in this section is subject to the conditions and limitations under sections 902 and 903 of this act.

Reappropriation:

Community and Technical College Capital Projects

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Account—State	\$	5,371,732
Prior Biennia (Expenditures)	\$	1,028,268
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,400,000

NEW SECTION. Sec. 771. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Puget Sound Community College - Portable Buildings Replacement (00-1-237)

Reappropriation:

Community and Technical College Capital Projects		
Account—State	\$	4,364,576
Prior Biennia (Expenditures)	\$	247,824
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,612,400

NEW SECTION. Sec. 772. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Puget Sound Community College - General Education Complex (00-2-679)

The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	24,046
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Appropriation:

State Building Construction Account—State	\$	1,781,000
Prior Biennia (Expenditures)	\$	99,954
Future Biennia (Projected Costs)	\$	16,937,000
TOTAL	\$	18,842,000

NEW SECTION. Sec. 773. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic College - Physical Plant Building: Replacement (00-2-002)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Education Construction Account—State	\$	5,086,600
Prior Biennia (Expenditures)	\$	1,029,000
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,115,600

NEW SECTION. Sec. 774. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellevue Community College - Robinswood School: Replacement (00-2-005)

The reappropriation in this section is subject to the conditions and limitations under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	10,197,017
Prior Biennia (Expenditures)	\$	5,609,583
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	15,806,600

NEW SECTION. Sec. 775. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Shoreline Community College - Library/Technical Center: New Facility (00-2-319)

The reappropriation in this section is subject to the conditions and limitations under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	6,708,051
Prior Biennia (Expenditures)	\$	541,949
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,250,000

NEW SECTION. Sec. 776. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Green River Community College - Drama/Music Class/Laboratories: Renovation (00-2-322)

Reappropriation:

State Building Construction Account—State	\$	3,336,754
Prior Biennia (Expenditures)	\$	93,246
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,430,000

NEW SECTION. Sec. 777. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clark Community College - Applied Arts 4 Building Renovation (00-2-326)

Reappropriation:

State Building Construction Account—State	\$	759,936
Prior Biennia (Expenditures)	\$	1,780,064
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,540,000

NEW SECTION. Sec. 778. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clark College/WSU Vancouver - Classroom/Laboratories: Design (00-2-680)

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The appropriations in this section are subject to the review and allotment procedures under sections 902 through 904 of this act. No money from the appropriations may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	11,997
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Appropriation:

State Building Construction Account—State	\$	1,644,000
Prior Biennia (Expenditures)	\$	108,003
Future Biennia (Projected Costs)	\$	17,712,900
TOTAL	\$	19,476,900

NEW SECTION. Sec. 779. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Valley College - Sexton Hall Computer Laboratories: Renovation (00-2-327)

Reappropriation:

State Building Construction Account—State	\$	104,395
Prior Biennia (Expenditures)	\$	595,605
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	700,000

NEW SECTION. Sec. 780. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Valley College - Omak Science Laboratory: New Facility (00-2-952)

Reappropriation:

State Building Construction Account—State	\$	59,366
Prior Biennia (Expenditures)	\$	840,634
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	900,000

NEW SECTION. Sec. 781. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Yakima Valley Community College - Mechanics Complex: Renovation (00-2-328)

Reappropriation:

State Building Construction Account—State	\$	1,425,106
Prior Biennia (Expenditures)	\$	289,894
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,715,000

NEW SECTION. Sec. 782. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Tacoma Community College - Building 5: Renovation (00-2-335)

Reappropriation:

State Building Construction Account—State	\$	1,492,736
Prior Biennia (Expenditures)	\$	7,264
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,500,000

NEW SECTION. Sec. 783. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellingham Technical College - Building B: Renovation (00-2-338)

Reappropriation:

State Building Construction Account—State	\$	482,087
Prior Biennia (Expenditures)	\$	1,444,713
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,926,800

NEW SECTION. Sec. 784. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Cascadia Community College: Development (00-2-501)

The reappropriation in this section is subject to the review and allotment procedures under sections 902 through 904, and 906 of this act. No money may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

Reappropriation:

State Building Construction Account—State	\$	26,581,595
Prior Biennia (Expenditures)	\$	23,518,405
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	50,100,000

NEW SECTION. Sec. 785. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Columbia Basin College - Emergency Roof: Replacement (00-2-600)

Reappropriation:

Education Construction Account—State	\$	92,792
Prior Biennia (Expenditures)	\$	907,208
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,000,000

NEW SECTION. Sec. 786. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce College Puyallup - Phase 3 Expansion: Design (00-2-676)

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The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	1,743,000
Prior Biennia (Expenditures)	\$	217,200
Future Biennia (Projected Costs)	\$	19,917,000
TOTAL	\$	21,877,200

NEW SECTION. Sec. 787. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Whatcom Community College - Design Classroom/Laboratory Building: New Facility (00-2-677)

The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

Reappropriation:

State Building Construction Account—State	\$	13,117
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Appropriation:

State Building Construction Account—State	\$	891,900
Prior Biennia (Expenditures)	\$	66,883
Future Biennia (Projected Costs)	\$	10,653,200
TOTAL	\$	11,625,100

NEW SECTION. Sec. 788. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Highline Community College - Higher Education Center and Childcare (00-2-678)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	2,228,000
Prior Biennia (Expenditures)	\$	117,000
Future Biennia (Projected Costs)	\$	20,991,000
TOTAL	\$	23,336,000

NEW SECTION. Sec. 789. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Statewide Hazardous Material Pool (00-9-031)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	256,373
Prior Biennia (Expenditures)	\$	281,286

Future Biennia (Projected Costs)	\$	0
TOTAL	\$	537,659

NEW SECTION. Sec. 790. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Statewide Americans with Disabilities Pool (00-9-036)

The reappropriation in this section is subject to the conditions and limitations of section 906(2)(b) of this act.

Reappropriation:

State Building Construction Account—State	\$	555,788
Prior Biennia (Expenditures)	\$	381,583
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	937,371

NEW SECTION. Sec. 791. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Preservation (Emergency Funds) (02-1-001)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	12,000,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	58,000,000
TOTAL	\$	70,000,000

NEW SECTION. Sec. 792. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Roof Repairs "A" (02-1-010)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Education Construction Account—State	\$	7,473,077
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	20,000,000
TOTAL	\$	27,473,077

NEW SECTION. Sec. 793. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Facility Repairs "A" (02-1-050)

The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

Appropriation:

Education Construction Account—State	\$	21,660,328
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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	100,000,000
TOTAL	\$	121,660,328

NEW SECTION. Sec. 794. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Site Repairs "A" - Community and Technical College System (02-1-090)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the conditions and limitations of sections 905 and 906 of this act.

(2) \$200,000 of the appropriation from the state building construction account—state is provided solely to South Seattle Community College for the Seattle Chinese gardens. The appropriation shall be matched by \$200,000 in additional contributions toward the project from local government.

Appropriation:

Education Construction Account—State	\$	8,343,232
State Building Construction Account—State	\$	200,000
Subtotal Appropriation	\$	8,543,232
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	24,000,000
TOTAL	\$	32,543,232

NEW SECTION. Sec. 795. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Program - Community and Technical College System (02-1-130)

The appropriation in this section is subject to the following conditions and limitations:

(1) Funding is provided from the education construction account as capital project matching funds to the following colleges: Olympic College-Shelton, \$500,000; Skagit Valley, \$500,000; Seattle Central, \$500,000; South Seattle, \$500,000; Yakima Valley, \$500,000; Spokane Falls, \$500,000; Whatcom, \$267,500; Tacoma, \$500,000; Clover Park, \$500,000; and Edmonds, \$500,000. Matching funds provided in this subsection do not imply commitments or guarantees that the legislature will provide future expenses of properties and facilities acquired, constructed, or improved. State funds shall be matched by an equal or greater amount of nonstate moneys.

(2) Following the allocation of funds for the projects in subsection (1) of this section, the appropriation in this section is subject to the requirements of sections 905 and 906 of this act.

Appropriation:

State Building Construction Account—State	\$	15,732,500
Education Construction Account—State	\$	5,535,000

Subtotal Appropriation	\$	21,267,500
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	80,000,000
TOTAL	\$	101,267,500

NEW SECTION. Sec. 796. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Skagit Valley College - Office Space: Replacement (02-1-213)

Appropriation:

Community and Technical College Capital Projects		
Account—State	\$	762,689
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	762,689

NEW SECTION. Sec. 797. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Seattle Central Community College - Portables: Replacement (02-1-215)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	6,897,400
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,897,400

NEW SECTION. Sec. 798. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Seattle Central Community College - Edison Hall: Renovation (02-1-315)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	5,809,200
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,809,200

NEW SECTION. Sec. 799. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Seattle Community College - Building A: Replacement (02-1-217)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

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Community and Technical College Capital Projects	
Account—State	\$ 5,477,400
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 5,477,400

NEW SECTION. Sec. 800. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Valley College - Greenhouse: Replacement (02-1-220)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Education Construction Account—State	\$ 441,360
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 441,360

NEW SECTION. Sec. 801. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Valley College - Agriculture Program: Renovation (02-1-328)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$ 794,536
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 794,536

NEW SECTION. Sec. 802. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Green River Community College - International Program: Replacement (02-1-222)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Community and Technical College Capital Projects	
Account—State	\$ 587,070
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 587,070

NEW SECTION. Sec. 803. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce College Fort Steilacoom - Portables: Replacement (02-1-223)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Community and Technical College Capital Projects	
Account—State	\$ 2,452,100
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 2,452,100

NEW SECTION. Sec. 804. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lower Columbia College - Physical Science Portables: Replacement (02-1-226)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Community and Technical College Capital Projects	
Account—State	\$ 1,959,800
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 1,959,800

NEW SECTION. Sec. 805. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lower Columbia College - Vocational Building: Renovation/Addition (02-1-326)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Education Construction Account—State	\$ 1,090,700
Prior Biennia (Expenditures)	\$ 0
Future Biennia (Projected Costs)	\$ 0
TOTAL	\$ 1,090,700

NEW SECTION. Sec. 806. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Yakima Valley Community College - Child Care: Replacement (02-1-229)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Community and Technical College Capital Projects	
Account—State	\$ 969,900

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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	969,900

NEW SECTION. Sec. 807. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Yakima Valley College - Higher Education Center (00-2-954)

(1) The appropriations in this section are subject to the review and allotment procedures under sections 902 and 903 of this act.

(2) The new appropriation in this section is subject to the conditions and limitations of section 911 of this act.

Reappropriation:

State Building Construction Account—State	\$	635,279
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Appropriation:

State Building Construction Account—State	\$	16,500,000
Prior Biennia (Expenditures)	\$	3,364,721
Future Biennia (Projected Costs)	\$	2,000,000
TOTAL	\$	22,500,000

NEW SECTION. Sec. 808. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls Community College - Fine Arts Building: Replacement (02-1-231)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Community and Technical College Capital Projects Account—State	\$	672,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	672,000

NEW SECTION. Sec. 809. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls Community College - Library: Renovation (02-1-331)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	5,602,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,602,000

NEW SECTION. Sec. 810. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellingham Technical College - Replacement: New Facility (02-1-239)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	4,357,900
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,357,900

NEW SECTION. Sec. 811. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lake Washington Community College - Replacement: New Facility (02-1-240)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	6,915,300
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,915,300

NEW SECTION. Sec. 812. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Peninsula College - Buildings D and E: Renovation (02-1-310)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	2,669,800
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	2,669,800

NEW SECTION. Sec. 813. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Grays Harbor Community College - Library: Renovation (02-1-311)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Community and Technical College Capital Projects Account—State	\$	4,579,500
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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,579,500

NEW SECTION. Sec. 814. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Shoreline Community College - Building 800: Renovation (02-1-319)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	6,021,100
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,021,100

NEW SECTION. Sec. 815. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellevue Community College - "A" Building: Renovation (02-1-320)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	5,566,100
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	5,566,100

NEW SECTION. Sec. 816. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Columbia Basin Community College - Building A: Renovation (02-1-333)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	6,434,100
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	6,434,100

NEW SECTION. Sec. 817. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clover Park - Building 18 Machine Trades: New Facility (02-1-343)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	4,791,800
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	4,791,800

NEW SECTION. Sec. 818. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Community College - Multicultural Student Service Center (02-2-230)

The appropriation in this section is subject to the review and allotment procedures under sections 902 and 903 of this act.

Appropriation:

Community and Technical College Capital Projects		
Account—State	\$	235,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	235,000

NEW SECTION. Sec. 819. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

University of Washington - Bothell/Cascadia Phase 2B: Offramp (02-2-999)

(1) The appropriation in this section is provided solely for the south campus access and is subject to the review and allotment procedures under sections 902 through 904, and 906 of this act. No money from this appropriation may be expended that would be inconsistent with the recommendations of the higher education coordinating board and the project design, scope, and schedule approved by the office of financial management.

(2) If funds are appropriated in the 2001-03 omnibus transportation budget for this project, the appropriation in this section shall lapse.

Appropriation:

State Building Construction Account—State	\$	2,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	17,476,750
TOTAL	\$	19,976,750

NEW SECTION. Sec. 820. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Big Bend Community College - Library Replacement: New Facility (02-1-232)

The appropriation in this section is subject to the conditions and limitations under sections 902 and 903 of this act.

Appropriation:

Education Construction Account—State	\$	7,497,000
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Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,497,000

NEW SECTION. Sec. 821. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Walla Walla Community College - Parent/Child Center: Replacement (02-1-234)

Appropriation:

Community and Technical Colleges Capital Projects		
Account—State	\$	391,230
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	391,230

NEW SECTION. Sec. 822. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Tacoma Community College - Portable Buildings: Replacement (02-1-236)

The appropriation in this section is subject to the conditions and limitations under sections 902 and 903 of this act.

Appropriation:

Education Construction Account—State	\$	3,457,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	3,457,000

NEW SECTION. Sec. 823. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Puget Sound Community College - Family Education/Child Center (02-1-238)

The appropriation in this section is subject to the conditions and limitations under sections 902 and 903 of this act.

Appropriation:

State Building Construction Account—State	\$	7,132,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	7,132,000

NEW SECTION. Sec. 824. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Technology Institute Partner College Computer Labs (01-S-003)

The appropriation in this section is provided to construct and equip three computer science and language labs, an approximate size being 1,200 square feet,

one at each of the following college districts: Highline, Olympic, and South Puget Sound.

Appropriation:

State Building Construction Account—State	\$	1,500,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	0
TOTAL	\$	1,500,000

NEW SECTION. Sec. 825. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Tacoma Community College - Information Technology/Vocational Center: New Facility (02-2-683)

The appropriation in this section is for all design phases of the project described in this section. A predesign of the project shall be completed first, on or before September 1, 2001, in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submission of design documents, program, and related cost schedules on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	1,198,100
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	13,049,900
TOTAL	\$	14,248,000

NEW SECTION. Sec. 826. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Seattle Community College - Instructional Technology Building (04-2-681)

The appropriation in this section is for all design phases of the project described in this section. A predesign of the project shall be completed first, on or before September 1, 2001, in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submission of design documents, program, and related cost schedules on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	1,624,400
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	16,587,400
TOTAL	\$	18,211,800

NEW SECTION. Sec. 827. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Green River Community College - Computer Laboratory Building (04-2-682)

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The appropriation in this section is for all design phases of the project described in this section. A predesign of the project shall be completed first, on or before September 1, 2001, in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submission of design documents, program, and related cost schedules on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	1,014,700
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	9,287,500
TOTAL	\$	10,302,200

NEW SECTION. Sec. 828. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Tacoma Science Building: New Facility (01-S-001)

The appropriation in this section is provided to conduct a predesign of the project described in this section in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submittal of completed predesign requirements on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	100,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	18,300,000
TOTAL	\$	18,400,000

NEW SECTION. Sec. 829. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Green River Community College - Sciences Building: New Facility (01-S-002)

The appropriation in this section is provided to conduct a predesign of the project described in this section in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submittal of completed predesign requirements on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	100,000
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	18,300,000
TOTAL	\$	18,400,000

NEW SECTION. Sec. 830. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bates Technical College - Phase III Expansion: New Facility (02-2-684)

The appropriation in this section is provided to conduct a predesign of the project described in this section in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submittal of completed predesign requirements on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	94,346
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	16,965,108
TOTAL	\$	17,059,454

NEW SECTION. Sec. 831. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Edmonds Community College - Instructional Lab: New Facility (02-2-685)

The appropriation in this section is provided to conduct a predesign of the project described in this section in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submittal of completed predesign requirements on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	68,838
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	15,159,624
TOTAL	\$	15,228,462

NEW SECTION. Sec. 832. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Walla Walla Basic Skills Lab: New Addition (02-2-686)

The appropriation in this section is provided to conduct a predesign of the project described in this section in accordance with the predesign manual published by the office of financial management. Future appropriations for this project are subject to the submittal of completed predesign requirements on or before July 1, 2002.

Appropriation:

State Building Construction Account—State	\$	36,300
Prior Biennia (Expenditures)	\$	0
Future Biennia (Projected Costs)	\$	5,309,540
TOTAL	\$	5,345,870

PART 6
MISCELLANEOUS

NEW SECTION. Sec. 901. The estimated debt service costs impacting future general fund expenditures related solely to new capital appropriations within this act are \$18,427,449 during the 2001-2003 fiscal period; \$106,954,937 during the 2003-2005 fiscal period; \$149,523,472 during the 2005-2007 fiscal period; \$149,899,611 during the 2007-2009 fiscal period; and \$149,899,611 during the 2009-2011 fiscal period.

NEW SECTION. Sec. 902. To ensure that major construction projects are carried out in accordance with legislative and executive intent, appropriations in this act referencing this section or in excess of \$5,000,000 shall not be expended until the office of financial management has reviewed and approved the agency's predesign and other documents and approved an allotment for the project. The predesign document shall include but not be limited to program, site, and cost analysis in accordance with the predesign manual adopted by the office of financial management. To improve monitoring of major construction projects, progress reports shall be submitted by the agency administering the project to the office of financial management and to the fiscal committees of the house of representatives and senate. Reports will be submitted on July 1st and December 31st each year in a format to be developed by the office of financial management.

NEW SECTION. Sec. 903. Allotments for appropriations shall be provided in accordance with the capital project review requirements adopted by the office of financial management. The office of financial management shall notify the house of representatives capital budget committee and the senate ways and means committee of allotment releases based on review by the office of financial management. No expenditure may be incurred or obligation entered into for appropriations referring to this section until the office of financial management has approved the allotment of the funds to be expended. Projects that will be employing alternative public works construction procedures under chapter 39.10 RCW are subject to the allotment procedures defined in this section and RCW 43.88.110. Contracts shall not be executed that call for expenditures in excess of the approved allotment, and the total amount shown in such contracts for the cost of future work that has not been appropriated shall not exceed the amount identified for such work in the level of funding approved by the office of financial management at the completion of predesign.

NEW SECTION. Sec. 904. Appropriations for design and construction of facilities on higher education branch campuses shall be expended only after funds are allotted to institutions of higher education on the basis of: (1) Comparable unit cost standards, as determined by the office of financial management in consultation with the higher education coordinating board; (2) costs consistent with other higher education teaching facilities in the state; and (3) student full-time equivalent enrollment levels as established by the office of financial management in consultation with the higher education coordinating board.

NEW SECTION. Sec. 905. To ensure that minor works appropriations are carried out in accordance with legislative intent, funds shall not be allotted until project lists are on file at the office of financial management. No expenditure may be incurred or obligation entered into for appropriations referring to this section until the office of financial management has approved the allotment of the funds to be expended. When approving allotments for minor works, the office of financial management shall place a high priority on projects that provide improved accessibility to public building and public spaces. The office of financial management shall encourage state agencies to incorporate accessibility planning and improvements into the normal and customary capital program.

NEW SECTION. Sec. 906. (1) Agencies shall expedite the expenditure of reappropriations and appropriations in order to: (a) Rehabilitate infrastructure resources; (b) accelerate environmental rehabilitation and restoration projects for the improvement of the state's natural environment; (c) reduce additional costs associated with acquisition and construction inflationary pressures; and (d) provide additional employment opportunities associated with capital expenditures.

(2) In order to meet the goals of this section, the following conditions apply to appropriations that reference this section: (a) To the extent feasible, agencies are directed to accelerate expenditure rates at the current level of permanent employees and shall use contracted design and construction services wherever necessary to meet the goals of this section; and (b) reappropriations that reference this subsection (2)(b) shall lapse on June 30, 2003.

(3) The office of financial management shall report the following to the appropriate fiscal committees of the legislature by January 30, 2003: (a) A listing of reappropriations in the governor's 2003-2005 capital budget recommendation that have been reappropriated one or more times and have ten percent or more of the original appropriation unexpended; and (b) an explanation of why the appropriation remains unexpended.

NEW SECTION. Sec. 907. ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS. The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract may be reimbursed from proceeds of the financial contract to the extent provided in the financing plan approved by the state finance committee.

The director of general administration shall ensure that the clustering of state facilities and the collocation and consolidation of state agencies take place where

such configurations are economical and consistent with agency space needs. Agencies shall assist the department of general administration with facility collocation and consolidation efforts.

State agencies may enter into agreements with the department of general administration and the state treasurer's office to develop requests to the legislature for acquisition of properties and facilities through financial contracts. The agreements may include charges for services rendered.

(1) Secretary of state:

(a) Enter into a financing contract in the amount of \$13,582,200 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase or construct a regional archives building in eastern Washington to be sited on the Eastern Washington University campus in Cheney.

(b) Enter into a financing contract in the amount of \$653,800 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase technology equipment and software for an electronic data archive, provided that authority to expend funding for acquisition of technology equipment and software associated with the electronic data archive is conditioned on compliance with section 902 of the 2001-2003 operating budget bill (information services projects).

(2) Department of general administration:

(a) Enter into a financing contract in the amount of \$3,956,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW, to expand the existing Isabella Bush records center in Tumwater for use by state agencies.

(b) Enter into a financing contract in the amount of \$35,656,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW, to purchase two existing office buildings and associated land in Tacoma for use by the department of social and health services.

(c) Enter into a financing contract for an amount approved by the office of financial management for costs and financing expenses and required reserves pursuant to chapter 39.94 RCW to lease develop or lease purchase a state office building of 150,000 to 200,000 square feet on state-owned property in Tumwater according to the terms of the agreement with the Port of Olympia when the property was acquired or within the preferred development/leasing areas in Thurston county. The building shall be constructed and financed so that agency occupancy costs will not exceed comparable private market rental rates. The comparable general office space rate shall be calculated based on the three latest Thurston county leases of new space of at least 100,000 rentable square feet adjusted for inflation as determined by the department of general administration. The department of general administration shall coordinate with potential state agency tenants whose current lease expire near the time of occupancy so that buyout of current leases do not add to state expense. The office of financial management shall certify to the state treasurer: (i) The project description and dollar amount; and (ii) that all requirements of this subsection (2)(c) have been met.

(3) Military department:

(a) Enter into a financing contract in the amount of \$653,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct additional space at the Spokane combined public safety training center.

(b) Enter into a financing contract in the amount of \$807,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct additional space at the Bremerton readiness center.

(4) Department of corrections:

Enter into a financing contract in the amount of \$4,588,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase or construct a correctional industries transportation services warehouse.

(5) Department of veterans affairs:

(a) Enter into a financing contract in the amount of \$12,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a skilled nursing home in Retsil.

(b) Enter into a financing contract in an amount not to exceed \$5,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase a state veterans' home in eastern Washington.

(6) State parks and recreation: It is the intent of the legislature that the operating revenues of the department provide the primary source of funds necessary to meet financing contract obligations for the projects financed under this authority. In addition, state parks and recreation is authorized to pledge to make payments from appropriated funds pursuant to chapter 39.94 RCW in order to:

(a) Enter into financing contracts in the amount of \$1,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase and install cabins and yurts statewide.

(b) Enter into a financing contract in an amount not to exceed \$2,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for development of a multi-purpose dining and meeting facility at Fort Worden state park.

(7) Community and technical colleges:

(a) Enter into a financing contract on behalf of Edmonds Community College in the amount of \$4,106,300 plus financing expenses and reserves pursuant to chapter 39.94 RCW to renovate Lynnwood hall and Montlake Terrace hall.

(b) Enter into a financing contract on behalf of Edmonds Community College in the amount of \$3,134,900 plus financing expenses and reserves pursuant to chapter 39.94 RCW to construct an addition to the student center building.

(c) Enter into a financing contract on behalf of Highline Community College in the amount of \$15,006,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to replace the student union building.

(d) Enter into a financing contract on behalf of Lower Columbia College in the amount of \$2,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for up to \$2,500,000 to purchase the maple terrace apartments.

(e) Enter into a financing contract on behalf of Everett Community College in the amount of \$1,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for remodeling of the fitness center.

(f) Enter into a financing contract on behalf of Wenatchee Valley College in the amount of \$500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase two buildings and property contiguous to the college campus.

(g) Enter into a financing contract on behalf of Olympic College in the amount of \$900,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for development of off-street student parking.

(h) Enter into a financing contract on behalf of Renton Technical College in the amount of \$1,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the purchase of approximately ten acres within the district boundary to support a future relocation of apprenticeship programs off the main campus.

(8) Central Washington University: Enter into a financing contract in the amount of \$5,700,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the Central Washington University/Edmonds Community College center.

(9) University of Washington:

(a) Enter into a financing contract in the amount of \$7,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for renovation of Sand Point building 5.

(b) Enter into a financing contract in the amount of \$5,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for renovation of Sand Point building 29.

NEW SECTION. Sec. 908. FOR THE ARTS COMMISSION—ART WORK ALLOWANCE POOLING. (1) One-half of one percent of moneys appropriated in this act for original construction of school plant facilities is provided solely for the purposes of RCW 28A.335.210. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the superintendent of public instruction and representatives of school district boards.

(2) One-half of one percent of moneys appropriated in this act for original construction or any major renovation or remodel work exceeding two hundred thousand dollars by colleges or universities is provided solely for the purposes of RCW 28B.10.027. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the board of regents or trustees.

(3) One-half of one percent of moneys appropriated in this act for original construction of any public building by a state agency as defined in RCW 43.17.020 is provided solely for the purposes of RCW 43.17.200. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the state agency.

(4) At least eighty-five percent of the moneys spent by the Washington state arts commission during the 2001-2003 biennium for the purposes of RCW 28A.335.210, 28B.10.027, and 43.17.200 shall be spent solely for direct acquisition of works of art.

NEW SECTION. Sec. 909. The amounts shown under the headings "Prior Biennia," "Future Biennia," and "Total" in this act are for informational purposes only and do not constitute legislative approval of these amounts.

NEW SECTION. Sec. 910. "Reappropriations" in this act are appropriations and, unless the context clearly provides otherwise, are subject to the relevant conditions and limitations applicable to appropriations. Reappropriations shall be limited to the unexpended balances remaining on June 30, 2001, from the 1999-2001 biennial appropriations for each project.

NEW SECTION. Sec. 911. To carry out the provisions of this act, the governor may assign responsibility for predesign, design, construction, and other related activities to any appropriate agency.

NEW SECTION. Sec. 912. If any federal moneys appropriated by this act for capital projects are not received by the state, the department or agency to which the moneys were appropriated may replace the federal moneys with funds available from private or local sources. No replacement may occur under this section without the prior approval of the director of financial management in consultation with the senate committee on ways and means and the house of representatives capital budget committee.

NEW SECTION. Sec. 913. (1) Unless otherwise stated, for all appropriations under this act that require a match of nonstate money or in-kind contributions, the following requirement, consistent with RCW 43.88.150, shall apply: Expenditures of state money shall be timed so that the state share of project expenditures never exceeds the intended state share of total project costs.

(2) Provision of the full amount of required matching funds is not required to permit the expenditure of capital budget appropriations for phased projects if a proportional amount of the required matching funds is provided for each distinct, identifiable phase of the project.

NEW SECTION. Sec. 914. Any capital improvements or capital projects involving construction or major expansion of a state office facility, including, but not limited to, district headquarters, detachment offices, and off-campus faculty offices, shall be reviewed by the department of general administration for possible consolidation, collocation, and compliance with state office standards before allotment of funds. The intent of the requirement imposed by this section is to eliminate duplication and reduce total office space requirements where feasible, while ensuring proper service to the public.

NEW SECTION. Sec. 915. The governor, through the office of financial management, may authorize a transfer of appropriation authority provided for a capital project that is in excess of the amount required for the completion of such

project to another capital project for which the appropriation is insufficient. No such transfer may be used to expand the capacity of any facility beyond that intended by the legislature in making the appropriation. Such transfers may be effected only between capital appropriations to a specific department, commission, agency, or institution of higher education and only between capital projects that are funded from the same fund or account. No transfers may occur between projects to local government agencies except where the grants are provided within a single omnibus appropriation and where such transfers are specifically authorized by the implementing statutes which govern the grants.

For purposes of this section, the governor may find that an amount is in excess of the amount required for the completion of a project only if: (1) The project as defined in the notes to the budget document is substantially complete and there are funds remaining; or (2) bids have been let on a project and it appears to a substantial certainty that the project as defined in the notes to the budget document can be completed within the biennium for less than the amount appropriated in this act.

For the purposes of this section, the legislature intends that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different way.

A report of any transfer effected under this section, except emergency projects or any transfer under \$250,000, shall be filed with the legislative fiscal committees of the senate and house of representatives by the office of financial management at least thirty days before the date the transfer is effected. The office of financial management shall report all emergency or smaller transfers within thirty days from the date of transfer.

NEW SECTION. Sec. 916. NONTAXABLE AND TAXABLE BOND PROCEEDS. Portions of the appropriation authority granted by this act from the state building construction account may be transferred to the state taxable building construction account as deemed necessary by the state finance committee to comply with the federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds. The state treasurer shall submit written notification to the director of financial management if it is determined that a shift of appropriation authority from the state building construction account to the state taxable building construction account is necessary.

NEW SECTION. Sec. 917. The joint legislative audit and review committee shall study the following topics and shall submit a preliminary report to the appropriate legislative committees by December 1, 2001, and a final report, including recommendations, by September 15, 2002:

(1) FTEs funded by the capital budget. There appears to be over four hundred fifty FTEs funded in the capital budget, many of these not directly related to specific capital projects, and many funded with state general obligation bonds. The committee, with assistance from the office of financial management, shall:

(a) Estimate the number of FTEs funded in the capital budget by agency, including those who are partially funded by the capital budget, whether they are paid for through bonds or other sources, what their function is related to capital projects, and whether they work directly or indirectly on capital projects; and (b) estimate the extent to which overhead and administrative costs are paid for through the capital budget, and the extent to which other indirect costs such as rent are funded through the capital budget. The committee shall make recommendations regarding how these FTEs and indirect costs can be better accounted for in the budgeting process, and regarding the policy implications of funding personnel and indirect costs in the capital budget; and

(2) Deferred renewal in higher education institutions. According to higher education institutions, deferred renewal of their facilities, such as capital maintenance and minor works preservation projects needed but not done, runs in the hundreds of millions of dollars statewide. The committee shall: (a) Study the reasons for this extensive deferred renewal of facilities; (b) estimate, with the assistance of the office of financial management and the higher education coordinating board, the deferred renewal for each four year institution and for the community and technical college system, and to what extent this deferred renewal poses a health and safety threat to persons using the campus; (c) review how other states approach higher education facility capital maintenance; (d) make recommendations regarding how this deferred renewal problem could be addressed; and (e) develop options to better coordinate facility maintenance with the operating budget and other options to increase the useful life of these facilities.

NEW SECTION. Sec. 918. The office of financial management, in consultation with the department of general administration, shall identify capital projects that may benefit from an energy analysis to determine whether there are alternate, more economical, and energy efficient means of completing the work. The office of financial management shall hold appropriations in allotment reserve on the following types of capital projects until this analysis can be completed: Heating, ventilation, and air conditioning modifications, chiller plants, steam plants, boilers, chilled water or steam lines, building control systems, lighting improvements, or other major energy using systems that may warrant additional analysis. Agencies receiving appropriations for such projects are encouraged to utilize energy performance contracts or alternative financing for equipment in lieu of state appropriated funds. The office of financial management may transfer funds remaining in allotment reserve to infrastructure savings projects within the agency that has realized savings from energy efficiency alternatives.

NEW SECTION. Sec. 919. State contracts for the legislative building renovation, Nisqually earthquake repair, and future earthquake mitigation shall conform to all rules, regulations, and requirements of the federal emergency management agency.

NEW SECTION. Sec. 920. **FOR THE STATE TREASURER—
TRANSFER**

Ch. 8 WASHINGTON LAWS, 2001 2nd Sp. Sess.

Public Works Assistance Account: For transfer to the parks renewal/
stewardship account on or before December 31, 2001, for the purpose of providing
funds for the coastal facility relocation project in section 324 of this act. . . .

..... \$ 5,700,000

NEW SECTION. Sec. 921. 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. 922. 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.

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Passed the Senate June 20, 2001.
Passed the House June 19, 2001.
Approved by the Governor June 26, 2001, with the exception of certain items that were vetoed.
Filed in Office of Secretary of State June 26, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to parts of sections 354 and 612 of Substitute Senate Bill No. 6155 entitled:

"AN ACT Relating to the capital budget;"

My reasons for vetoing these sections are as follows:

Section 354(3), page 93, Interagency Committee for Outdoor Recreation

This subsection would have provided \$1 million for a grant to the People for Salmon organization to coordinate and implement volunteer salmon recovery efforts. I whole-heartedly endorse volunteerism in support of salmon recovery. However, I continue to oppose direct appropriation of dollars to projects, which have not been through the normal Salmon Recovery Funding Board review process. We must preserve the Board's authority to make the best decisions about how state and federal salmon recovery money is spent.

Section 612, page 126, lines 1 - 5, School for the Deaf: Phase 2B

This appropriation language would have unnecessarily delayed the design of the renovation of the School for the Deaf by more than two years. Since the Joint Legislative Audit and Review Committee (JLARC) and public policy studies are directed at capacity planning and educational delivery systems, their findings are not expected to significantly alter the legislative-directed master plan and facility program studies recently completed by the school. This appropriation funds the preliminary design of the campus renovation to address student safety, energy efficiency and educational program delivery, and the project should not be delayed for additional studies.

For these reasons I have vetoed portions of sections 354 and 612 of Substitute Senate Bill No. 6155.

With the exception of those portions of sections 354 and 612 as specified above, Substitute Senate Bill No. 6155 is approved."

CHAPTER 9

[Engrossed Senate Bill 5990]

GENERAL OBLIGATION BONDS

AN ACT Relating to state general obligation bonds and related accounts; amending RCW 39.42.060; adding a new chapter to Title 43 RCW; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. For the purpose of providing funds to finance the projects described and authorized by the legislature in the capital and operating appropriation acts for the 2001-2003 fiscal biennium, and all costs incidental thereto, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of nine hundred thirty-five million five hundred thousand dollars, or as much thereof as may be required, to finance these projects and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds

authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

NEW SECTION. Sec. 2. The proceeds from the sale of the bonds authorized in section 1 of this act shall be deposited in the state building construction account created by RCW 43.83.020. The proceeds shall be transferred as follows:

(1) Seven hundred seventy-four million two hundred thousand dollars to remain in the state building construction account created by RCW 43.83.020;

(2) Twenty-two million five hundred thousand dollars to the outdoor recreation account created by RCW 79A.25.060;

(3) Twenty-two million five hundred thousand dollars to the habitat conservation account created by RCW 79A.15.020;

(4) Sixty million dollars to the state taxable building construction account which is hereby established in the state treasury. All receipts from taxable bond issues are to be deposited into the account. If the state finance committee deems it necessary to issue more than fifty million dollars of the bonds authorized in section 1 of this act as taxable bonds in order to comply with federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds, the proceeds of such additional taxable bonds shall be transferred to the state taxable building construction account in lieu of any transfer otherwise provided by this section. The state treasurer shall submit written notice to the director of financial management if it is determined that any such additional transfer to the state taxable building construction account is necessary. Moneys in the account may be spent only after appropriation;

(5) Twenty-nine million twenty-five thousand dollars to the higher education construction account created by RCW 28B.140.040.

These proceeds shall be used exclusively for the purposes specified in this section and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this section, and shall be administered by the office of financial management subject to legislative appropriation.

NEW SECTION. Sec. 3. (1) The debt-limit general fund bond retirement account shall be used for the payment of the principal of and interest on the bonds authorized in section 2 (1), (2), (3), and (4) of this act.

(2) The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements on the bonds authorized in section 2 (1), (2), (3), and (4) of this act.

(3) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of section 2 (1), (2), (3), and (4) of this act the state treasurer shall withdraw from any general state revenues received in the state treasury and deposit in the debt-limit general fund bond retirement account an amount equal to the amount certified by the state finance committee to be due on the payment date.

NEW SECTION. Sec. 4. (1) The nondebt-limit reimbursable bond retirement account shall be used for the payment of the principal of and interest on the bonds authorized in section 2(5) of this act.

(2) The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements on the bonds authorized in section 2(5) of this act.

(3) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of section 2(5) of this act, the board of regents of the University of Washington shall cause to be paid out of University of Washington nonappropriated local funds to the state treasurer for deposit into the nondebt-limit reimbursement bond retirement account the amount computed in subsection (2) of this section for bonds issued for the purposes of section 2(5) of this act.

NEW SECTION. Sec. 5. (1) Bonds issued under sections 1 through 4 of this act shall state that they are a general obligation of the state of Washington, shall pledge the full faith and credit of the state to the payment of the principal thereof and the interest thereon, and shall contain an unconditional promise to pay the principal and interest as the same shall become due.

(2) The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. Sec. 6. The legislature may provide additional means for raising moneys for the payment of the principal of and interest on the bonds authorized in section 1 of this act, and sections 2 through 4 of this act shall not be deemed to provide an exclusive method for the payment.

NEW SECTION. Sec. 7. For the purpose of providing funds for the planning, design, construction, and other necessary costs for replacing the waterproof membrane over the east plaza garage and revising related landscaping, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of sixteen million dollars, or as much thereof as may be required, to finance this project and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

NEW SECTION. Sec. 8. The proceeds from the sale of the bonds authorized in section 7 of this act shall be deposited in the state building construction account created by RCW 43.83.020. The proceeds shall be transferred as follows: Fifteen million five hundred twenty thousand dollars to the state vehicle parking account created by RCW 43.01.225.

These proceeds shall be used exclusively for the purposes specified in section 7 of this act and for the payment of expenses incurred in the issuance and sale of

the bonds issued for the purposes of this section, and shall be administered by the office of financial management subject to legislative appropriation.

NEW SECTION. Sec. 9. (1) The nondebt-limit reimbursable bond retirement account shall be used for the payment of the principal of and interest on the bonds authorized in section 7 of this act.

(2) The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements on the bonds authorized in section 7 of this act.

(3) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of section 8 of this act, the state treasurer shall transfer from the state vehicle parking account for deposit into the nondebt-limit reimbursable bond retirement account, the amount computed in subsection (2) of this section for bonds issued for the purposes of section 7 of this act.

NEW SECTION. Sec. 10. (1) Bonds issued under section 7 of this act shall state that they are a general obligation of the state of Washington, shall pledge the full faith and credit of the state to the payment of the principal thereof and the interest thereon, and shall contain an unconditional promise to pay the principal and interest as the same shall become due.

(2) The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. Sec. 11. The legislature may provide additional means for raising moneys for the payment of the principal of and interest on the bonds authorized in section 7 of this act, and sections 8 and 9 of this act shall not be deemed to provide an exclusive method for the payment.

NEW SECTION. Sec. 12. The bonds authorized in sections 1, 7, and 14 of this act shall be a legal investment for all state funds or funds under state control and for all funds of any other public body.

NEW SECTION. Sec. 13. The legislature finds that it is necessary to complete the rehabilitation of the state legislative building, to extend the useful life of the building, and provide for the permanent relocation of offices displaced by the rehabilitation and create new space for public uses.

Furthermore, it is the intent of the legislature to fund the majority of the rehabilitation and construction using bonds repaid by the capitol building construction account, as provided for in the enabling act and dedicated by the federal government for the sole purpose of establishing a state capitol, to fund the cash elements of the project using capital project surcharge revenues in the Thurston county capital facilities account, and to support the establishment of a private foundation to engage the public in the preservation of the state legislative building and raise private funds for restoration and educational efforts. The bonds repaid by the capitol building construction account, whose revenues are from the

sale of capitol building lands, timber, or other materials, shall be exempt from the state debt limit under RCW 39.42.060, and if at any time the capitol building construction account has insufficient revenues to repay the bonds, the legislature may provide additional means for the payment of the bonds, but any such additional means shall be subject to the state debt limit.

NEW SECTION. Sec. 14. For the purpose of providing funds for the planning, design, construction, and other necessary costs for the rehabilitation of the state legislative building, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of eighty-two million five hundred ten thousand dollars or as much thereof as may be required to finance the rehabilitation and improvements to the legislative building and all costs incidental thereto. The approved rehabilitation plan includes costs associated with earthquake repairs and future earthquake mitigation and allows for associated relocation costs and the acquisition of appropriate relocation space. Bonds authorized in this section shall not constitute indebtedness for purposes of the limitations set forth in RCW 39.42.060, to the extent that the bond payments are paid from the capitol building construction account. Bonds authorized in this section may be sold at a price the state finance committee determines. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds. The proceeds of the sale of the bonds issued for the purposes of this section shall be deposited in the capitol historic district construction account hereby created in the state treasury. These proceeds shall be used exclusively for the purposes specified in this section and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this section, and shall be administered by the office of financial management subject to legislative appropriation.

NEW SECTION. Sec. 15. (1) The nondebt-limit reimbursable bond retirement account must be used for the payment of the principal and interest on the bonds authorized in section 14 of this act.

(2)(a) The state finance committee must, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements on the bonds authorized in section 14 of this act.

(b) On or before the date on which any interest or principal and interest is due, the state treasurer shall transfer from the capitol building construction account for deposit into the nondebt-limit reimbursable bond retirement account, the amount computed in (a) of this subsection. Bonds issued for the purposes of section 14 of this act.

(3) If the capitol building construction account has insufficient revenues to pay the principal and interest computed in subsection (2)(a) of this section, then the debt-limit reimbursable bond retirement account shall be used for the payment of the principal and interest on the bonds authorized in section 14 of this act from any additional means provided by the legislature.

NEW SECTION. Sec. 16. (1) Bonds issued under section 14 of this act shall state that they are a general obligation of the state of Washington, shall pledge the full faith and credit of the state to the payment of the principal and interest, and shall contain an unconditional promise to pay the principal and interest as it becomes due.

(2) The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. Sec. 17. The legislature may provide additional means for raising moneys for the payment of the principal and interest on the bonds authorized in section 14 of this act, and sections 15 and 16 of this act shall not be deemed to provide an exclusive method for their payment.

Sec. 18. RCW 39.42.060 and 1999 c 273 s 9 are each amended to read as follows:

No bonds, notes, or other evidences of indebtedness for borrowed money shall be issued by the state which will cause the aggregate debt contracted by the state to exceed that amount for which payments of principal and interest in any fiscal year would require the state to expend more than seven percent of the arithmetic mean of its general state revenues, as defined in section 1(c) of Article VIII of the Washington state Constitution for the three immediately preceding fiscal years as certified by the treasurer in accordance with RCW 39.42.070. It shall be the duty of the state finance committee to compute annually the amount required to pay principal of and interest on outstanding debt. In making such computation, the state finance committee shall include all borrowed money represented by bonds, notes, or other evidences of indebtedness which are secured by the full faith and credit of the state or are required to be paid, directly or indirectly, from general state revenues and which are incurred by the state, any department, authority, public corporation or quasi public corporation of the state, any state university or college, or any other public agency created by the state but not by counties, cities, towns, school districts, or other municipal corporations, and shall include debt incurred pursuant to section 3 of Article VIII of the Washington state Constitution, but shall exclude the following:

- (1) Obligations for the payment of current expenses of state government;
- (2) Indebtedness incurred pursuant to RCW 39.42.080 or 39.42.090;
- (3) Principal of and interest on bond anticipation notes;
- (4) Any indebtedness which has been refunded;
- (5) Financing contracts entered into under chapter 39.94 RCW;
- (6) Indebtedness authorized or incurred before July 1, 1993, pursuant to statute which requires that the state treasury be reimbursed, in the amount of the principal of and the interest on such indebtedness, from money other than general state revenues or from the special excise tax imposed pursuant to chapter 67.40 RCW;

(7) Indebtedness authorized and incurred after July 1, 1993, pursuant to statute that requires that the state treasury be reimbursed, in the amount of the principal of and the interest on such indebtedness, from (a) moneys outside the state treasury, except higher education operating fees, (b) higher education building fees, (c) indirect costs recovered from federal grants and contracts, and (d) fees and charges associated with hospitals operated or managed by institutions of higher education;

(8) Any agreement, promissory note, or other instrument entered into by the state finance committee under RCW 39.42.030 in connection with its acquisition of bond insurance, letters of credit, or other credit support instruments for the purpose of guaranteeing the payment or enhancing the marketability, or both, of any state bonds, notes, or other evidence of indebtedness;

(9) Indebtedness incurred for the purposes identified in RCW 43.99N.020; ((and))

(10) Indebtedness incurred for the purposes of the school district bond guaranty established by chapter 39.98 RCW;

(11) Indebtedness incurred for the purposes of replacing the waterproof membrane over the east plaza garage and revising related landscaping construction pursuant to section 7 of this act; and

(12) Indebtedness incurred for the purposes of the state legislative building rehabilitation, to the extent that principal and interest payments of such indebtedness are paid from the capitol building construction account pursuant to section 15(2)(b) of this act.

To the extent necessary because of the constitutional or statutory debt limitation, priorities with respect to the issuance or guaranteeing of bonds, notes, or other evidences of indebtedness by the state shall be determined by the state finance committee.

NEW SECTION, Sec. 19. Sections 1 through 17 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION, Sec. 20. 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. 21. 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.

Passed the Senate June 20, 2001.

Passed the House June 19, 2001.

Approved by the Governor June 26, 2001.

Filed in Office of Secretary of State June 26, 2001.

CHAPTER 10

[Engrossed Substitute Senate Bill 5937]

POSTRETIREMENT EMPLOYMENT—RETIREMENT SYSTEM RETIREES

AN ACT Relating to postretirement employment for teachers' retirement system, public employees' retirement system, and school employees' retirement system retirees; amending RCW 28A.405.900, 41.32.570, 41.40.037, 41.32.802, 41.32.860, 41.32.862, 41.35.060, 41.40.037, and 41.40.750; creating new sections; providing effective dates; providing expiration dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The department of retirement systems, the office of the superintendent of public instruction, the department of personnel, and the health care authority shall jointly develop publications for use during the 2001-03 biennium to explain options for, and implications of, postretirement employment for members and retirees of the teachers' retirement system plan I and the public employees' retirement system plan I.

(2) The publications shall address such issues as: (a) Health insurance coverage upon reemployment; (b) health benefit options upon termination of postretirement employment; (c) sick leave, annual leave, and other compensation practices; (d) options for, and implications of, reentry into active retirement system membership; (e) hiring procedures for retirees; and (f) collective bargaining rights and responsibilities.

Sec. 2. RCW 28A.405.900 and 1990 c 33 s 404 are each amended to read as follows:

Certificated employees subject to the provisions of RCW 28A.310.250, 28A.405.010 through 28A.405.240, 28A.405.400 through 28A.405.410, 28A.415.250, and 28A.405.900 shall not include those certificated employees hired to replace certificated employees who have been granted sabbatical, regular, or other leave by school districts, and shall not include retirees hired for postretirement employment under the provisions of this act.

It is not the intention of the legislature that this section apply to any regularly hired certificated employee or that the legal or constitutional rights of such employee be limited, abridged, or abrogated.

Sec. 3. RCW 41.32.570 and 1999 c 387 s 1 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every seven hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred forty hours per month. Any monthly benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2) Any retired teacher or retired administrator who enters service in any public educational institution in Washington state and who has satisfied the break in employment requirement of subsection (1) of this section shall cease to receive pension payments while engaged in such service ~~(- PROVIDED, That service may be rendered up to five hundred twenty-five hours per school year without reduction of pension:~~

~~—(3) In addition to the five hundred twenty-five hours of service permitted under subsection (2) of this section, a retired teacher or retired administrator may also serve only as a substitute teacher for up to an additional three hundred fifteen hours per school year without reduction of pension if:~~

~~—(a) A school district, which is not a member of a multidistrict substitute cooperative, determines that it has exhausted or can reasonably anticipate that it will exhaust its list of qualified and available substitutes and the school board of the district adopts a resolution to make its substitute teachers who are retired teachers or retired administrators eligible for the extended service once the list of qualified and available substitutes has been exhausted. The resolution by the school district shall state that the services of retired teachers and retired administrators are necessary to address the shortage of qualified and available substitutes. The resolution shall be valid only for the school year in which it is adopted. The district shall forward a copy of the resolution with a list of retired teachers and retired administrators who have been employed as substitute teachers to the department and may notify the retired teachers and retired administrators included on the list of their right to take advantage of the provisions of this subsection; or~~

~~—(b) A multidistrict substitute cooperative determines that the school districts have exhausted or can reasonably anticipate that they will exhaust their list of qualified and available substitutes and each of the school boards adopts a resolution to make their substitute teachers who are retired teachers or retired administrators eligible for the extended service once the list of qualified and available substitutes has been exhausted. The resolutions by each of the school districts shall state that the services of retired teachers and retired administrators are necessary to address the shortage of qualified and available substitutes. The resolutions shall be valid only for the school year in which they are adopted. The cooperative shall forward a copy of the resolutions with a list of retired teachers and retired administrators who have been employed as substitute teachers to the department and may notify the retired teachers and retired administrators included on the list of their right to take advantage of the provisions of this subsection.~~

~~—(4) In addition to the five hundred twenty-five hours of service permitted under subsection (2) of this section, a retired administrator or retired teacher may also serve as a substitute administrator up to an additional one hundred five hours per school year without reduction of pension if a school district board of directors adopts a resolution declaring that the services of a retired administrator or retired teacher are necessary because it cannot find a replacement administrator to fill a vacancy. The resolution shall be valid only for the school year in which it is~~

~~adopted. The district shall forward a copy of the resolution with the name of the retired administrator or retired teacher who has been employed as a substitute administrator to the department.~~

~~— (5) In addition to the five hundred twenty-five hours of service permitted under subsection (2) of this section and the one hundred five hours permitted under subsection (4) of this section, a retired principal may also serve as a substitute principal up to an additional two hundred ten hours per school year without a reduction of pension if a school district board of directors adopts a resolution declaring that the services of a retired principal are necessary because it cannot find a replacement principal to fill a vacancy. The resolution shall be valid only for the school year in which it is adopted. The district shall forward a copy of the resolution with the name of the retired principal who has been employed as a substitute principal to the department.~~

~~— (6) Subsection (2) of this section shall apply to all persons governed by the provisions of plan 1, regardless of the date of their retirement, but shall apply only to benefits payable after June 11, 1986.~~

~~— (7) Subsection (3) of this section shall apply to all persons governed by the provisions of plan 1, regardless of the date of their retirement, but shall apply only to benefits payable after September 1, 1994), after the retiree has rendered service for more than one thousand five hundred hours in a school year. When a retired teacher or administrator renders service beyond eight hundred sixty-seven hours, the department shall collect from the employer the applicable employer retirement contributions for the entire duration of the member's employment during that fiscal year.~~

(3) The department shall collect and provide the state actuary with information relevant to the use of this section for the joint committee on pension policy.

(4) The legislature reserves the right to amend or repeal this section in the future and no member or beneficiary has a contractual right to be employed for more than five hundred twenty-five hours per year without a reduction of his or her pension.

Sec. 4. RCW 41.40.037 and 1997 c 254 s 14 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every eight hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred sixty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2)(a) A retiree from plan 1 who has satisfied the break in employment requirement of subsection (1) of this section and who enters employment with an employer may continue to receive pension payments while engaged in such service for up to one thousand five hundred hours of service in a calendar year without a reduction of pension. When a plan 1 member renders service beyond eight hundred sixty-seven hours, the department shall collect from the employer the applicable employer retirement contributions for the entire duration of the member's employment during that calendar year.

(b) A retiree from plan 2 or plan 3 who has satisfied the break in employment requirement of subsection (1) of this section((;)) may work up to ((five months per)) eight hundred sixty-seven hours in a calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, or 41.40.010, or as a fire fighter or law enforcement officer, as defined in RCW 41.26.030, without suspension of his or her benefit.

(3) If the retiree opts to reestablish membership under RCW 41.40.023(12), he or she terminates his or her retirement status and becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible in accordance with RCW 41.40.180. However, if the right to retire is exercised to become effective before the member has rendered two uninterrupted years of service, the retirement formula and survivor options the member had at the time of the member's previous retirement shall be reinstated.

(4) The department shall collect and provide the state actuary with information relevant to the use of this section for the joint committee on pension policy.

(5) The legislature reserves the right to amend or repeal this section in the future and no member or beneficiary has a contractual right to be employed for more than five months in a calendar year without a reduction of his or her pension.

***NEW SECTION. Sec. 5. Sections 2 and 3 of this act expire June 30, 2004.**

*Sec. 5 was vetoed. See message at end of chapter.

***NEW SECTION. Sec. 6. Section 4 of this act expires December 31, 2004.**

*Sec. 6 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 7. The office of the state actuary shall review the actuarial impact of the temporary expansion of the postretirement employment limitations provided by sections 3 and 4 of this act. No later than July 1, 2003, the state actuary shall prepare a report for the joint committee on pension policy regarding the fiscal and policy impacts of this act. The joint committee shall solicit information from the superintendent of public instruction, the department of personnel, the office of financial management, the department of retirement systems, and the health care authority regarding the program impacts of this act and shall report to the legislative fiscal committees no later than October 1, 2003,

on any proposed changes or improvements to this act. If the state actuary determines the expansion of postretirement options under sections 3 and 4 of this act has resulted in increased costs for the state retirement funds, the joint committee report shall include a proposal for a process to charge those employers who employ retirees pursuant to an extension of sections 3 and 4 of this act for the costs incurred by the retirement funds under the extension.

Sec. 8. RCW 41.32.802 and 1997 c 254 s 8 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every seven hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred forty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2) A retiree who has satisfied the break in employment requirement of subsection (1) of this section, may work up to ~~((five months))~~ eight hundred sixty-seven hours per calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, or 41.40.010, or as a fire fighter or law enforcement officer, as defined in RCW 41.26.030, without suspension of his or her benefit.

(3) If the retiree opts to reestablish membership under RCW 41.32.044, he or she terminates his or her retirement status and immediately becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible.

Sec. 9. RCW 41.32.860 and 1997 c 254 s 7 are each amended to read as follows:

(1) Except under RCW 41.32.862, no retiree shall be eligible to receive such retiree's monthly retirement allowance if he or she is employed in an eligible position as defined in RCW 41.40.010 ~~((or)),~~ 41.32.010, or 41.35.010, or as a law enforcement officer or fire fighter as defined in RCW 41.26.030.

(2) If a retiree's benefits have been suspended under this section, his or her benefits shall be reinstated when the retiree terminates the employment that caused the suspension of benefits. Upon reinstatement, the retiree's benefits shall be actuarially recomputed pursuant to the rules adopted by the department.

Sec. 10. RCW 41.32.862 and 1997 c 254 s 9 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every seven hours

worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred forty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2) A retiree who has satisfied the break in employment requirement of subsection (1) of this section, may work up to ~~((five months))~~ eight hundred sixty-seven hours per calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, or 41.40.010, or as a fire fighter or law enforcement officer, as defined in RCW 41.26.030, without suspension of his or her benefit.

(3) If the retiree opts to reestablish membership under RCW 41.32.044, he or she terminates his or her retirement status and immediately becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible.

Sec. 11. RCW 41.35.060 and 1998 c 341 s 7 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every eight hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred sixty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2) A retiree who has satisfied the break in employment requirement of subsection (1) of this section may work up to ~~((five months))~~ eight hundred sixty-seven hours per calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, or 41.40.010, or as a fire fighter or law enforcement officer, as defined in RCW 41.26.030, without suspension of his or her benefit.

(3) If the retiree opts to reestablish membership under RCW 41.35.030, he or she terminates his or her retirement status and becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible in accordance with RCW 41.35.420 or 41.35.680. However, if the right to retire is exercised to become effective before the member has rendered two uninterrupted years of service, the retirement formula and survivor options the member had at the time of the member's previous retirement shall be reinstated.

Sec. 12. RCW 41.40.037 and 1997 c 254 s 14 are each amended to read as follows:

(1)(a) If a retiree enters employment with an employer sooner than one calendar month after his or her accrual date, the retiree's monthly retirement allowance will be reduced by five and one-half percent for every eight hours worked during that month. This reduction will be applied each month until the retiree remains absent from employment with an employer for one full calendar month.

(b) The benefit reduction provided in (a) of this subsection will accrue for a maximum of one hundred sixty hours per month. Any benefit reduction over one hundred percent will be applied to the benefit the retiree is eligible to receive in subsequent months.

(2) A retiree who has satisfied the break in employment requirement of subsection (1) of this section, may work up to ~~((five months))~~ eight hundred sixty-seven hours per calendar year in an eligible position, as defined in RCW 41.32.010, 41.35.010, or 41.40.010, or as a fire fighter or law enforcement officer, as defined in RCW 41.26.030, without suspension of his or her benefit.

(3) If the retiree opts to reestablish membership under RCW 41.40.023(12), he or she terminates his or her retirement status and becomes a member. Retirement benefits shall not accrue during the period of membership and the individual shall make contributions and receive membership credit. Such a member shall have the right to again retire if eligible in accordance with RCW 41.40.180. However, if the right to retire is exercised to become effective before the member has rendered two uninterrupted years of service, the retirement formula and survivor options the member had at the time of the member's previous retirement shall be reinstated.

Sec. 13. RCW 41.40.750 and 1998 c 341 s 113 are each amended to read as follows:

(1) Effective September 1, 2000, the membership of all plan 2 members currently employed in eligible positions in a school district or educational service district and all plan 2 service credit for such members, is transferred to the Washington school employees' retirement system plan 2. Plan 2 members who have withdrawn their member contributions for prior plan 2 service may restore contributions and service credit to the Washington school employees' retirement system plan 2 as provided under RCW 41.40.740.

(2)(a) The membership and previous service credit of a plan 2 member not employed in an eligible position on September 1, 2000, will be transferred to the Washington school employees' retirement system plan 2 when he or she becomes employed in an eligible position. Plan 2 members not employed in an eligible position on September 1, 2000, who have withdrawn their member contributions for prior plan 2 service may restore contributions and service credit to the Washington school employees' retirement system plan 2 as provided under RCW 41.40.740.

(b) The membership and previous service credit of a plan 2 member last employed by a school district or educational service district and retired prior to September 1, 2000, will be transferred to the Washington school employees' retirement system plan 2 if the member opts to reestablish membership.

(3) Members who restore contributions and service credit under subsection (1) or (2) of this section shall have their contributions and service credit transferred to the Washington school employees' retirement system.

NEW SECTION, Sec. 14. Except for section 12 of this act which takes effect December 31, 2004, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the Senate June 20, 2001.

Passed the House June 19, 2001.

Approved by the Governor June 26, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State June 26, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 5 and 6, Engrossed Substitute Senate Bill No. 5937 entitled:

"AN ACT Relating to postretirement employment for teachers' retirement system, public employees' retirement system, and school employees' retirement system retirees;"

This bill addresses worker retention problems in public employment by expanding post-retirement employment opportunities for Plan 1 members of the teachers' and public employees' retirement systems.

The state is facing a critical shortage of experienced teachers and other employees with skills that are in high demand. To meet this shortage, we need to attract retirees back to work. ESSB 5937 will help us in this task by creating a program for post-retirement employment. To improve the effectiveness of this program and ensure a steady supply of people with valuable expertise in our schools and state and local agencies, I have vetoed sections 5 and 6, which would have terminated the program in 2004. This sunset date would have been premature and would not have allowed sufficient time for the program to develop.

The bill contains provisions for a study of the program, and a means to recover any resulting costs from employers. These provisions provide adequate safeguards for the program and make sections 5 and 6 unnecessary.

For these reasons, I have vetoed sections 5 and 6 of Engrossed Substitute Senate Bill No. 5937.

With the exception of sections 5 and 6, Engrossed Substitute Senate Bill 5937 is approved."

CHAPTER 11

[Engrossed Substitute Senate Bill 6167]

RETIREMENT SYSTEMS—ACTUARIAL FUNDING

AN ACT Relating to actuarial funding of state retirement systems; amending RCW 41.45.010, 41.45.010, 41.45.020, 41.45.030, 41.45.050, 41.45.050, 41.45.061, 41.45.067, 41.45.070, 41.45.080, and 41.45.120; reenacting and amending RCW 41.45.020, 41.45.060, 41.45.061, and 41.45.070; adding new sections to chapter 41.45 RCW; decodifying RCW 41.45.0602; providing effective dates; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 41.45.010 and 1998 c 341 s 401 are each amended to read as follows:

It is the intent of the legislature to provide a dependable and systematic process for funding the benefits provided to members and retirees of the public employees' retirement system, chapter 41.40 RCW; the teachers' retirement system, chapter 41.32 RCW; the law enforcement officers' and fire fighters' retirement systems, chapters 41.26 and 41.26A RCW; the school employees' retirement system, chapter 41.35 RCW; and the Washington state patrol retirement system, chapter 43.43 RCW.

The legislature finds that the funding status of the state retirement systems has improved dramatically since 1989. Because of the big reduction in unfunded pension liabilities, it is now prudent to adjust the long-term economic assumptions that are used in the actuarial studies conducted by the state actuary. The legislature finds that it is reasonable to increase the salary growth assumption in light of Initiative Measure No. 732, to increase the investment return assumption in light of the asset allocation policies and historical returns of the state investment board, and to reestablish June 30, 2024, as the target date to achieve full funding of all liabilities in the public employees' retirement system plan 1 and the teachers' retirement system plan 1.

The funding process established by this chapter is intended to achieve the following goals:

(1) To continue to fully fund the public employees' retirement system plan 2, the teachers' retirement system plans 2 and 3, the school employees' retirement system plans 2 and 3, and the law enforcement officers' and fire fighters' retirement system plan 2 as provided by law;

(2) To fully amortize the total costs of the public employees' retirement system plan 1(~~(;))~~ and the teachers' retirement system plan 1(~~(; and the law enforcement officers' and fire fighters' retirement system plan 1))~~) not later than June 30, 2024;

(3) To ensure the actuarial funding of the restated law enforcement officers' and fire fighters' retirement system defined benefit plan, and provide for additional state funding if unfunded liabilities accrue in the future;

(4) To establish predictable long-term employer contribution rates which will remain a relatively constant proportion of the future state budgets; and

~~((4))~~ (5) To fund, to the extent feasible, benefit increases for plan 1 members and all benefits for plan 2 and 3 members over the working lives of those members so that the cost of those benefits are paid by the taxpayers who receive the benefit of those members' service.

Sec. 2. RCW 41.45.010 and 2000 c 247 s 501 are each amended to read as follows:

It is the intent of the legislature to provide a dependable and systematic process for funding the benefits provided to members and retirees of the public employees' retirement system, chapter 41.40 RCW; the teachers' retirement system, chapter 41.32 RCW; the law enforcement officers' and fire fighters'

retirement systems, chapters 41.26 and 41.26A RCW; the school employees' retirement system, chapter 41.35 RCW; and the Washington state patrol retirement system, chapter 43.43 RCW.

The legislature finds that the funding status of the state retirement systems has improved dramatically since 1989. Because of the big reduction in unfunded pension liabilities, it is now prudent to adjust the long-term economic assumptions that are used in the actuarial studies conducted by the state actuary. The legislature finds that it is reasonable to increase the salary growth assumption in light of Initiative Measure No. 732, to increase the investment return assumption in light of the asset allocation policies and historical returns of the state investment board, and to reestablish June 30, 2024, as the target date to achieve full funding of all liabilities in the public employees' retirement system plan 1 and the teachers' retirement system plan 1.

The funding process established by this chapter is intended to achieve the following goals:

(1) To continue to fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the school employees' retirement system plans 2 and 3, and the law enforcement officers' and fire fighters' retirement system plan 2 as provided by law;

(2) To fully amortize the total costs of the public employees' retirement system plan 1(;;)) and the teachers' retirement system plan 1, ((and the law enforcement officers' and fire fighters' retirement system plan 1)) not later than June 30, 2024;

(3) To ensure the actuarial funding of the restated law enforcement officers' and fire fighters' retirement system defined benefit plan, and provide for additional state funding if unfunded liabilities accrue in the future;

(4) To establish predictable long-term employer contribution rates which will remain a relatively constant proportion of the future state budgets; and

~~((4))~~ (5) To fund, to the extent feasible, benefit increases for plan 1 members and all benefits for plan 2 and 3 members over the working lives of those members so that the cost of those benefits are paid by the taxpayers who receive the benefit of those members' service.

Sec. 3. RCW 41.45.020 and 1998 c 341 s 402 and 1998 c 283 s 1 are each reenacted and amended to read as follows:

As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "Council" means the pension funding council created in RCW 41.45.100.

(2) "Department" means the department of retirement systems.

(3) "Law enforcement officers' and fire fighters' retirement system ((~~plan 1~~ and "~~law enforcement officers' and fire fighters' retirement system~~)) plan 2" means the benefits and funding provisions under chapter 41.26 RCW.

(4) "Restated law enforcement officers' and fire fighters' retirement system defined benefit plan" means the benefits and funding provisions under chapter 41.26A RCW.

(5) "Public employees' retirement system plan 1" and "public employees' retirement system plan 2" mean the benefits and funding provisions under chapter 41.40 RCW.

~~((5))~~ (6) "Teachers' retirement system plan 1," "teachers' retirement system plan 2," and "teachers' retirement system plan 3" mean the benefits and funding provisions under chapter 41.32 RCW.

~~((6))~~ (7) "School employees' retirement system plan 2" and "school employees' retirement system plan 3" mean the benefits and funding provisions under chapter 41.35 RCW.

~~((7))~~ (8) "Washington state patrol retirement system" means the retirement benefits provided under chapter 43.43 RCW.

~~((8))~~ (9) "Unfunded liability" means the unfunded actuarial accrued liability of a retirement system.

~~((9))~~ (10) "Actuary" or "state actuary" means the state actuary employed under chapter 44.44 RCW.

~~((10))~~ (11) "State retirement systems" means the retirement systems listed in RCW 41.50.030.

~~((11))~~ "Work group" means the pension funding work group created in RCW 41.45.120.

(12) "Classified employee" means a member of the Washington school employees' retirement system plan 2 or plan 3 as defined in RCW 41.35.010.

(13) "Teacher" means a member of the teachers' retirement system as defined in RCW 41.32.010(15).

Sec. 4. RCW 41.45.020 and 2000 c 247 s 502 are each amended to read as follows:

As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "Council" means the pension funding council created in RCW 41.45.100.

(2) "Department" means the department of retirement systems.

(3) "Law enforcement officers' and fire fighters' retirement system (~~plan 1" and "law enforcement officers' and fire fighters' retirement system~~)" means the benefits and funding provisions under chapter 41.26 RCW.

(4) "Restated law enforcement officers' and fire fighters' retirement system defined benefit plan" means the benefits and funding provisions under chapter 41.26A RCW.

(5) "Public employees' retirement system plan 1," "public employees' retirement system plan 2," and "public employees' retirement system plan 3" mean the benefits and funding provisions under chapter 41.40 RCW.

~~((5))~~ (6) "Teachers' retirement system plan 1," "teachers' retirement system plan 2," and "teachers' retirement system plan 3" mean the benefits and funding provisions under chapter 41.32 RCW.

~~((6))~~ (7) "School employees' retirement system plan 2" and "school employees' retirement system plan 3" mean the benefits and funding provisions under chapter 41.35 RCW.

~~((7))~~ (8) "Washington state patrol retirement system" means the retirement benefits provided under chapter 43.43 RCW.

~~((8))~~ (9) "Unfunded liability" means the unfunded actuarial accrued liability of a retirement system.

~~((9))~~ (10) "Actuary" or "state actuary" means the state actuary employed under chapter 44.44 RCW.

~~((10))~~ (11) "State retirement systems" means the retirement systems listed in RCW 41.50.030.

~~((11)) "Work group" means the pension funding work group created in RCW 41.45.120;))~~

(12) "Classified employee" means a member of the Washington school employees' retirement system plan 2 or plan 3 as defined in RCW 41.35.010.

(13) "Teacher" means a member of the teachers' retirement system as defined in RCW 41.32.010(15).

Sec. 5. RCW 41.45.030 and 1995 c 233 s 1 are each amended to read as follows:

(1) Beginning ~~((September))~~ April 1, ~~((1995))~~ 2004, and every ~~((two))~~ four years thereafter, the state actuary shall submit to the council information regarding the experience and financial condition of each state retirement system. The council shall review this and such other information as it may require.

(2) By ~~((December))~~ May 31, ~~((1995))~~ 2004, and every ~~((two))~~ four years thereafter, the council, by affirmative vote of ~~((five))~~ four councilmembers, ~~((shall))~~ may adopt changes to the ~~((following))~~ long-term economic assumptions(~~:~~

~~— (a) Growth in system membership;~~

~~— (b) Growth in salaries, exclusive of merit or longevity increases;~~

~~— (c) Growth in inflation; and~~

~~— (d) Investment rate of return))~~ established in section 6 of this act. Any changes adopted by the council shall be subject to revision by the legislature.

The council shall ~~((work))~~ consult with the ~~((department of retirement systems, the state actuary;))~~ economic and revenue forecast supervisor and the executive director of the state investment board, and shall consider long-term historical averages, in ~~((developing))~~ reviewing possible changes to the economic assumptions.

(3) The assumptions ~~((adopted))~~ and the asset value smoothing technique established in section 6 of this act, as modified in the future by the council or legislature, shall be used by the state actuary in conducting all actuarial studies of the state retirement systems, including actuarial fiscal notes under RCW 44.44.040. The assumptions shall also be used for the administration of benefits under the retirement plans listed in RCW 41.45.020, pursuant to timelines and conditions established by department rules.

NEW SECTION. Sec. 6. A new section is added to chapter 41.45 RCW to read as follows:

(1) Beginning July 1, 2001, the following long-term economic assumptions shall be used by the state actuary for the purposes of RCW 41.45.030:

- (a) The growth in inflation assumption shall be 3.5 percent;
- (b) The growth in salaries assumption, exclusive of merit or longevity increases, shall be 4.5 percent;
- (c) The investment rate of return assumption shall be 8 percent; and
- (d) The growth in system membership assumption shall be 1.25 percent for the public employees' retirement system, the school employees' retirement system, and the law enforcement officers' and fire fighters' retirement system. The assumption shall be .90 percent for the teachers' retirement system.

(2) Beginning with actuarial studies done after July 1, 2001, changes to plan asset values that vary from the long-term investment rate of return assumption shall be recognized over a four-year period. Beginning April 1, 2004, the council, by affirmative vote of four councilmembers, may adopt changes to this asset value smoothing technique. Any changes adopted by the council shall be subject to revision by the legislature.

Sec. 7. RCW 41.45.050 and 1998 c 341 s 403 are each amended to read as follows:

(1) Employers of members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, and the Washington state patrol retirement system shall make contributions to those systems based on the rates established in RCW 41.45.060, section 9 of this act, and 41.45.070.

(2) The state shall make contributions to the law enforcement officers' and fire fighters' retirement system plan 2 based on the rates established in RCW 41.45.060, section 9 of this act, and 41.45.070. The state treasurer shall transfer the required contributions each month on the basis of salary data provided by the department.

(3) The state shall ensure the systematic actuarial funding of the restated law enforcement officers' and fire fighters' retirement system defined benefit plan in the manner provided by chapter 41.26A RCW.

(4) The department shall bill employers, and the state shall make contributions to the law enforcement officers' and fire fighters' retirement system plan 2, using the combined rates established in RCW 41.45.060, section 9 of this act, and 41.45.070 regardless of the level of ~~((pension funding))~~ appropriation provided in the biennial budget. Any member of an affected retirement system may, by mandamus or other appropriate proceeding, require the transfer and payment of funds as directed in this section.

~~((4))~~ (5) The contributions received for the public employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and public employees' retirement system plan 2 fund as follows: The contributions necessary to fully fund the public employees' retirement system plan 2 employer contribution required by RCW 41.40.650 shall first be deposited in the public employees' retirement system plan 2 fund. All remaining public employees'

retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

~~((5))~~ (6) The contributions received for the teachers' retirement system shall be allocated between the plan 1 fund and the combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the combined plan 2 and plan 3 employer contribution shall first be deposited in the combined plan 2 and plan 3 fund. All remaining teachers' retirement system employer contributions shall be deposited in the plan 1 fund.

~~((6))~~ (7) The contributions received for the school employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the school employees' retirement system combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the combined plan 2 and plan 3 employer contribution shall first be deposited in the combined plan 2 and plan 3 fund. All remaining school employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

~~((7))~~ (8) The contributions received (~~(under RCW 41.26.450)~~) for the law enforcement officers' and fire fighters' retirement system plan 2 shall be (~~allocated between the law enforcement officers' and fire fighters' retirement system plan 1 and the law enforcement officers' and fire fighters' retirement system plan 2 fund as follows: The contributions necessary to fully fund the law enforcement officers' and fire fighters' retirement system plan 2 employer contributions shall be first~~) deposited in the law enforcement officers' and fire fighters' retirement system plan 2 fund. (~~All remaining law enforcement officers' and fire fighters' retirement system employer contributions shall be deposited in the law enforcement officers' and fire fighters' retirement system plan 1 fund.~~)

Sec. 8. RCW 41.45.050 and 2000 c 247 s 503 are each amended to read as follows:

(1) Employers of members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, and the Washington state patrol retirement system shall make contributions to those systems based on the rates established in RCW 41.45.060, section 9 of this act, and 41.45.070.

(2) The state shall make contributions to the law enforcement officers' and fire fighters' retirement system plan 2 based on the rates established in RCW 41.45.060, section 9 of this act, and 41.45.070. The state treasurer shall transfer the required contributions each month on the basis of salary data provided by the department.

(3) The state shall ensure the systematic actuarial funding of the restated law enforcement officers' and fire fighters' retirement system defined benefit plan in the manner provided by chapter 41.26A RCW.

(4) The department shall bill employers, and the state shall make contributions to the law enforcement officers' and fire fighters' retirement system plan 2, using the combined rates established in RCW 41.45.060, section 9 of this act, and

41.45.070 regardless of the level of ~~((pension funding))~~ appropriation provided in the biennial budget. Any member of an affected retirement system may, by mandamus or other appropriate proceeding, require the transfer and payment of funds as directed in this section.

~~((4))~~ (5) The contributions received for the public employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the public employees' retirement system combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the public employees' retirement system combined plan 2 and plan 3 employer contribution shall first be deposited in the public employees' retirement system combined plan 2 and plan 3 fund. All remaining public employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

~~((5))~~ (6) The contributions received for the teachers' retirement system shall be allocated between the plan 1 fund and the combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the combined plan 2 and plan 3 employer contribution shall first be deposited in the combined plan 2 and plan 3 fund. All remaining teachers' retirement system employer contributions shall be deposited in the plan 1 fund.

~~((6))~~ (7) The contributions received for the school employees' retirement system shall be allocated between the public employees' retirement system plan 1 fund and the school employees' retirement system combined plan 2 and plan 3 fund as follows: The contributions necessary to fully fund the combined plan 2 and plan 3 employer contribution shall first be deposited in the combined plan 2 and plan 3 fund. All remaining school employees' retirement system employer contributions shall be deposited in the public employees' retirement system plan 1 fund.

~~((7))~~ (8) The contributions received ~~((under RCW 41.45.060, 41.45.061, and 41.45.067))~~ for the law enforcement officers' and fire fighters' retirement system plan 2 shall be ~~((allocated between the law enforcement officers' and fire fighters' retirement system plan 1 and the law enforcement officers' and fire fighters' retirement system plan 2 fund as follows: The contributions necessary to fully fund the law enforcement officers' and fire fighters' retirement system plan 2 employer contributions shall be first))~~ deposited in the law enforcement officers' and fire fighters' retirement system plan 2 fund. ~~((All remaining law enforcement officers' and fire fighters' retirement system employer contributions shall be deposited in the law enforcement officers' and fire fighters' retirement system plan 1 fund.))~~

NEW SECTION. Sec. 9. A new section is added to chapter 41.45 RCW to read as follows:

(1) The basic employer and state contribution rates, and plan 2 member contribution rates, are changed to reflect the 1999 combined actuarial valuation studies conducted by the office of the state actuary, adjusted solely for the changes in the long-term economic assumptions contained in section 6 of this act, and for

the reestablishment of the June 30, 2024, target date for funding all plan 1 liabilities.

Beginning July 1, 2001, the following employer contribution rates shall be charged:

(a) 1.54 percent for the public employees' retirement system; and

(b) 2.70 percent for the law enforcement officers' and fire fighters' retirement system plan 2.

(2) Beginning July 1, 2001, the basic state contribution rate for the law enforcement officers' and fire fighters' retirement system plan 2 shall be 1.80 percent.

(3) Beginning September 1, 2001, the following employer contribution rates shall be charged:

(a) 1.54 percent for the school employees' retirement system; and

(b) 2.75 percent for the teachers' retirement system.

(4) Beginning July 1, 2001, the following member contribution rates shall be charged:

(a) 0.88 percent for the public employees' retirement system plan 2; and

(b) 4.50 percent for the law enforcement officers' and fire fighters' retirement system plan 2.

(5) Beginning September 1, 2001, the following member contribution rates shall be charged:

(a) 0.88 percent for the school employees' retirement system plan 2; and

(b) 1.23 percent for the teachers' retirement system plan 2.

(6) The contribution rates in this section shall be collected through June 30, 2003.

Sec. 10. RCW 41.45.060 and 2000 2nd sp.s. c 1 s 905 and 2000 c 247 s 504 are each reenacted and amended to read as follows:

(1) The state actuary shall provide actuarial valuation results based on the economic assumptions and asset value smoothing technique included in section 6 of this act or adopted by the council under RCW 41.45.030 or section 6 of this act.

(2) Not later than September 30, ~~((1998))~~ 2002, and every two years thereafter, consistent with the economic assumptions and asset value smoothing technique included in section 6 of this act or adopted under RCW 41.45.030 or section 6 of this act, the council shall adopt and may make changes to:

(a) A basic state contribution rate for the law enforcement officers' and fire fighters' retirement system plan 2;

(b) Basic employer contribution rates for the public employees' retirement system, the teachers' retirement system, and the Washington state patrol retirement system ~~((to be used in the ensuing biennial period))~~; and

(c) A basic employer contribution rate for the school employees' retirement system for funding both that system and the public employees' retirement system plan 1.

~~((For the 1999-2001 fiscal biennium, the rates adopted by the council shall be effective for the period designated in section 902, chapter 1, Laws of 2000 2nd sp. sess. and RCW 41.45.0602.))~~ The contribution rates adopted by the council shall be subject to revision by the legislature.

(3) The employer and state contribution rates adopted by the council shall be the level percentages of pay that are needed:

(a) To fully amortize the total costs of the public employees' retirement system plan 1, the teachers' retirement system plan 1, ~~((the law enforcement officers' and fire fighters' retirement system plan 1,))~~ and the unfunded liability of the Washington state patrol retirement system not later than June 30, 2024~~((except as provided in subsection (5) of this section))~~;

(b) To also continue to fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the school employees' retirement system plans 2 and 3, and the law enforcement officers' and fire fighters' retirement system plan 2 in accordance with RCW 41.45.061, 41.45.067, and this section; and

(c) For the law enforcement officers' and fire fighters' system plan 2 the rate charged to employers, except as provided in RCW 41.26.450, shall be thirty percent of the cost of the retirement system and the rate charged to the state shall be twenty percent of the cost of the retirement system.

(4) The aggregate actuarial cost method shall be used to calculate a combined plan 2 and 3 employer contribution rate.

~~(5) ((An amount equal to the amount of extraordinary investment gains as defined in RCW 41.31.020 shall be used to shorten the amortization period for the public employees' retirement system plan 1 and the teachers' retirement system plan 1.~~

~~—(6))~~ The council shall immediately notify the directors of the office of financial management and department of retirement systems of the state and employer contribution rates adopted. The rates shall be effective for the ensuing biennial period, subject to any legislative modifications.

~~((7))~~ (6) The director of the department of retirement systems shall collect the rates established in section 9 of this act through June 30, 2003. Thereafter, the director shall collect those rates adopted by the council. The rates established in section 9 of this act, or by the council, shall be subject to revision by the council.

NEW SECTION. Sec. 11. RCW 41.45.0602 is decodified.

Sec. 12. RCW 41.45.061 and 2000 c 230 s 2 are each amended to read as follows:

(1) The required contribution rate for members of the plan 2 teachers' retirement system shall be fixed at the rates in effect on July 1, 1996, subject to the following:

(a) Beginning September 1, 1997, except as provided in (b) of this subsection, the employee contribution rate shall not exceed the employer plan 2 and 3 rates

adopted under RCW 41.45.060, section 9 of this act, and 41.45.070 for the teachers' retirement system;

(b) In addition, the employee contribution rate for plan 2 shall be increased by fifty percent of the contribution rate increase caused by any plan 2 benefit increase passed after July 1, 1996;

(c) In addition, the employee contribution rate for plan 2 shall not be increased as a result of any distributions pursuant to section 309, chapter 341, Laws of 1998 and RCW 41.31A.020.

(2) The required contribution rate for members of the school employees' retirement system plan 2 shall equal the school employees' retirement system employer plan 2 and 3 contribution rate adopted under RCW 41.45.060, section 9 of this act, and 41.45.070, except as provided in subsection (3) of this section.

(3) The employee contribution rate for plan 2 shall not be increased as a result of any distributions pursuant to RCW 41.31A.020 and 41.31A.030.

(4) The required plan 2 and 3 contribution rates for employers shall be adopted in the manner described in RCW 41.45.060, section 9 of this act, and RCW 41.45.070.

Sec. 13. RCW 41.45.061 and 2000 c 247 s 506 and 2000 c 230 s 2 are each reenacted and amended to read as follows:

(1) The required contribution rate for members of the plan 2 teachers' retirement system shall be fixed at the rates in effect on July 1, 1996, subject to the following:

(a) Beginning September 1, 1997, except as provided in (b) of this subsection, the employee contribution rate shall not exceed the employer plan 2 and 3 rates adopted under RCW 41.45.060, section 9 of this act, and 41.45.070 for the teachers' retirement system;

(b) In addition, the employee contribution rate for plan 2 shall be increased by fifty percent of the contribution rate increase caused by any plan 2 benefit increase passed after July 1, 1996;

(c) In addition, the employee contribution rate for plan 2 shall not be increased as a result of any distributions pursuant to section 309, chapter 341, Laws of 1998 and RCW 41.31A.020.

(2) The required contribution rate for members of the school employees' retirement system plan 2 shall equal the school employees' retirement system employer plan 2 and 3 contribution rate adopted under RCW 41.45.060, section 9 of this act, and 41.45.070, except as provided in subsection (5) of this section.

(3) The required contribution rate for members of the public employees' retirement system plan 2 shall be set at the same rate as the employer combined plan 2 and plan 3 rate.

(4) The required contribution rate for members of the law enforcement officers' and fire fighters' retirement system plan 2 shall be set at fifty percent of the cost of the retirement system.

(5) The employee contribution rates for plan 2 under subsections (3) and (4) of this section shall not include any increase as a result of any distributions pursuant to RCW 41.31A.020 and 41.31A.030.

(6) The required plan 2 and 3 contribution rates for employers shall be adopted in the manner described in RCW 41.45.060, section 9 of this act, and 41.45.070.

Sec. 14. RCW 41.45.067 and 2000 c 247 s 507 are each amended to read as follows:

(1) Any increase in the contribution rate required as the result of a failure of the state or of an employer to make any contribution required by this section shall be borne in full by the state or by that employer not making the contribution.

(2) The director shall notify all employers of any pending adjustment in the required contribution rate and such pending adjustment in the required contribution rate and any increase shall be announced at least thirty days prior to the effective date of the change.

(3) Members' contributions required by RCW 41.45.060 and 41.45.061 shall be deducted from the members' compensation each payroll period. The members' contribution and the employers' contribution shall be remitted directly to the department within fifteen days following the end of the calendar month during which the payroll period ends.

(4) The state's contribution required for the law enforcement officers' and fire fighters' retirement system plan 2 shall be transferred to the appropriate fund from the total contributions transferred by the state treasurer under RCW (~~41.45.060 and 41.45.070~~) 41.45.050.

Sec. 15. RCW 41.45.070 and 1998 c 340 s 10 and 1998 c 341 s 406 are each reenacted and amended to read as follows:

(1) In addition to the basic employer contribution rate established in RCW 41.45.060 or section 9 of this act, the department shall also charge employers of public employees' retirement system, teachers' retirement system, school employees' retirement system, or Washington state patrol retirement system members an additional supplemental rate to pay for the cost of additional benefits, if any, granted to members of those systems. Except as provided in subsection (6) and (7) of this section, the supplemental contribution rates required by this section shall be calculated by the state actuary and shall be charged regardless of language to the contrary contained in the statute which authorizes additional benefits.

(2) In addition to the basic state contribution rate established in RCW 41.45.060 or section 9 of this act for the law enforcement officers' and fire fighters' retirement system plan 2, the department shall also establish a supplemental rate to pay for the cost of additional benefits, if any, granted to members of the law enforcement officers' and fire fighters' retirement system plan 2. Except as provided in subsection (6) of this section, this supplemental rate shall be calculated by the state actuary and the state treasurer shall transfer the additional required

contributions regardless of language to the contrary contained in the statute which authorizes the additional benefits.

(3) The supplemental rate charged under this section to fund benefit increases provided to active members of the public employees' retirement system plan 1, the teachers' retirement system plan 1, (~~the law enforcement officers' and fire fighters' retirement system plan 1;~~) and Washington state patrol retirement system, shall be calculated as the level percentage of all members' pay needed to fund the cost of the benefit not later than June 30, 2024.

(4) The supplemental rate charged under this section to fund benefit increases provided to active and retired members of the public employees' retirement system plan 2, the teachers' retirement system plan 2 and plan 3, the school employees' retirement system plan 2 and plan 3, or the law enforcement officers' and fire fighters' retirement system plan 2, shall be calculated as the level percentage of all members' pay needed to fund the cost of the benefit, as calculated under RCW 41.40.650 or 41.26.450, respectively.

(5) The supplemental rate charged under this section to fund postretirement adjustments which are provided on a nonautomatic basis to current retirees shall be calculated as the percentage of pay needed to fund the adjustments as they are paid to the retirees. The supplemental rate charged under this section to fund automatic postretirement adjustments for active or retired members of the public employees' retirement system plan 1 and the teachers' retirement system plan 1 shall be calculated as the level percentage of pay needed to fund the cost of the automatic adjustments not later than June 30, 2024.

(6) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 340, Laws of 1998.

(7) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 41.31A RCW; section 309, chapter 341, Laws of 1998; or section 701, chapter 341, Laws of 1998.

Sec. 16. RCW 41.45.070 and 2000 c 247 s 505 are each amended to read as follows:

(1) In addition to the basic employer contribution rate established in RCW 41.45.060 or section 9 of this act, the department shall also charge employers of public employees' retirement system, teachers' retirement system, school employees' retirement system, or Washington state patrol retirement system members an additional supplemental rate to pay for the cost of additional benefits, if any, granted to members of those systems. Except as provided in subsections (6) and (7) of this section, the supplemental contribution rates required by this section shall be calculated by the state actuary and shall be charged regardless of language to the contrary contained in the statute which authorizes additional benefits.

(2) In addition to the basic state contribution rate established in RCW 41.45.060 or section 9 of this act for the law enforcement officers' and fire fighters' retirement system plan 2, the department shall also establish a supplemental rate to pay for the cost of additional benefits, if any, granted to members of the law enforcement officers' and fire fighters' retirement system plan 2. Except as

provided in subsection (6) of this section, this supplemental rate shall be calculated by the state actuary and the state treasurer shall transfer the additional required contributions regardless of language to the contrary contained in the statute which authorizes the additional benefits.

(3) The supplemental rate charged under this section to fund benefit increases provided to active members of the public employees' retirement system plan 1, the teachers' retirement system plan 1, ~~((the law enforcement officers' and fire fighters' retirement system plan 1;))~~ and Washington state patrol retirement system, shall be calculated as the level percentage of all members' pay needed to fund the cost of the benefit not later than June 30, 2024.

(4) The supplemental rate charged under this section to fund benefit increases provided to active and retired members of the public employees' retirement system plan 2 and plan 3, the teachers' retirement system plan 2 and plan 3, the school employees' retirement system plan 2 and plan 3, or the law enforcement officers' and fire fighters' retirement system plan 2, shall be calculated as the level percentage of all members' pay needed to fund the cost of the benefit, as calculated under RCW 41.45.060, 41.45.061, or 41.45.067.

(5) The supplemental rate charged under this section to fund postretirement adjustments which are provided on a nonautomatic basis to current retirees shall be calculated as the percentage of pay needed to fund the adjustments as they are paid to the retirees. The supplemental rate charged under this section to fund automatic postretirement adjustments for active or retired members of the public employees' retirement system plan 1 and the teachers' retirement system plan 1 shall be calculated as the level percentage of pay needed to fund the cost of the automatic adjustments not later than June 30, 2024.

(6) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 340, Laws of 1998.

(7) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 41.31A RCW; section 309, chapter 341, Laws of 1998; or section 701, chapter 341, Laws of 1998.

Sec. 17. RCW 41.45.080 and 1989 c 273 s 8 are each amended to read as follows:

In addition to the basic and supplemental employer contributions required by RCW 41.45.060, section 9 of this act, and 41.45.070, the department may also require additional employer contributions as provided by law.

***Sec. 18.** *RCW 41.45.120 and 1998 c 283 s 4 are each amended to read as follows:*

(1) ~~((A pension funding work group is hereby created. The work group shall consist of one staff member selected by the executive head or chairperson of each of the following agencies or committees:~~

- ~~—(a) Department of retirement systems;~~
- ~~—(b) Office of financial management;~~
- ~~—(c) State investment board;~~

~~(d) Ways and means committee of the senate;~~
~~(e) Appropriations committee of the house of representatives; and~~
~~(f) Economic and revenue forecast council.~~
~~(2) The state actuary shall make available to the work group information related to economic assumptions and contribution rates.~~
~~(3)) The ((pension funding work group)) office of the state actuary shall provide staff support to the pension funding council((Meetings of the pension funding work group may be called by any member of the group for the purpose of assisting the pension funding council, reviewing actuarial valuations of the state retirement systems, reviewing economic assumptions, or for any other purpose which may assist the pension funding council)). The council may also retain independent actuarial advice, to be retained with the assistance of the department, and paid by the department from the fund established in RCW 41.50.110.~~

~~((4)) (2) Recommendations from both affected employee and employer groups will be actively sought during the ((work group)) council review process. The ((work group)) council shall conduct an open public meeting on ((these recommendations)) any proposed changes to contribution rates or long-term economic assumptions. This public meeting is subject to the requirements of RCW 41.32.020.~~

*Sec. 18 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 19. 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, 7, and 18 of this act expire March 1, 2002.

NEW SECTION. Sec. 21. Sections 2, 3, 4, 8, 13, 14, and 16 of this act take effect March 1, 2002.

NEW SECTION. Sec. 22. Except under section 21 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2001.

Passed the Senate June 8, 2001.

Passed the House June 21, 2001.

Approved by the Governor June 26, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State June 26, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 18, Engrossed Substitute Senate Bill No. 6167 entitled:

"AN ACT Relating to actuarial funding of state retirement systems;"

This bill establishes long-term economic assumptions and contribution rates for the state pension funds. These are matters of great concern to both working and retired members of the retirement systems and for the state as a whole. Implementing these assumptions requires a

high level of expertise and appropriate input from those with the experience and skills to ensure the credibility and accountability of the process.

Section 18 would have abolished the pension funding work group entirely, and transferred staffing responsibility to the state actuary. This approach would have reduced the amount of expertise and input available and would have eroded confidence in the reliability of the pension system.

I agree with members of the Legislature that the current process could be better, and am willing to work with them on another solution.

For these reasons, I have vetoed section 18 of Engrossed Substitute Senate Bill No. 6167.

With the exception of section 18, Engrossed Substitute Senate Bill No. 6167 is approved."

CHAPTER 12

[Third Engrossed Substitute Senate Bill 6151]

SEX OFFENDERS—CIVIL COMMITMENT

AN ACT Relating to the management of sex offenders in the civil commitment and criminal justice systems; amending RCW 71.09.020, 36.70A.103, 36.70A.200, 9.94A.715, 9.94A.060, 9.94A.120, 9.94A.190, 9.94A.390, 9.94A.590, 9.94A.670, 9.95.005, 9.95.010, 9.95.011, 9.95.017, 9.95.020, 9.95.032, 9.95.052, 9.95.055, 9.95.064, 9.95.070, 9.95.080, 9.95.090, 9.95.100, 9.95.110, 9.95.115, 9.95.120, 9.95.121, 9.95.122, 9.95.123, 9.95.124, 9.95.125, 9.95.126, 9.95.130, 9.95.140, 9.95.190, 9.95.250, 9.95.280, 9.95.290, 9.95.300, 9.95.310, 9.95.320, 9.95.340, 9.95.350, 9.95.360, 9.95.370, 9.95.900, 9A.28.020, 9A.36.021, 9A.40.030, 9A.44.093, 9A.44.096, 9A.44.100, 9A.76.—, and 72.09.370; reenacting and amending RCW 9.94A.030, 9.94A.320, 18.155.020, and 18.155.030; adding new sections to chapter 71.09 RCW; adding new sections to chapter 72.09 RCW; adding new sections to chapter 9.94A RCW; adding new sections to chapter 9.95 RCW; adding a new section to chapter 4.24 RCW; creating new sections; repealing RCW 9.95.0011 and 9.95.145; prescribing penalties; providing an effective date; providing expiration dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

PART I

GENERAL PROVISIONS

NEW SECTION. Sec. 101. The legislature intends the following omnibus bill to address the management of sex offenders in the civil commitment and criminal justice systems for purposes of public health, safety, and welfare. Provisions address siting of and continued operation of facilities for persons civilly committed under chapter 71.09 RCW and sentencing of persons who have committed sex offenses. Other provisions address the need for sex offender treatment providers with specific credentials. Additional provisions address the continued operation or authorized expansion of criminal justice facilities at McNeil Island, because these facilities are impacted by the civil facilities on McNeil Island for persons committed under chapter 71.09 RCW.

Sec. 102. RCW 71.09.020 and 2001 c 286 s 4 are each amended to read as follows:

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

(1) (~~"Sexually violent predator" means any person who has been convicted of or charged with a crime of sexual violence and who suffers from a mental abnormality or personality disorder which makes the person likely to engage in predatory acts of sexual violence if not confined in a secure facility.~~

~~(2) "Mental abnormality" means a congenital or acquired condition affecting the emotional or volitional capacity which predisposes the person to the commission of criminal sexual acts in a degree constituting such person a menace to the health and safety of others.)~~ "Department" means the department of social and health services.

(2) "Less restrictive alternative" means court-ordered treatment in a setting less restrictive than total confinement which satisfies the conditions set forth in RCW 71.09.092.

(3) "Likely to engage in predatory acts of sexual violence if not confined in a secure facility" means that the person more probably than not will engage in such acts if released unconditionally from detention on the sexually violent predator petition. Such likelihood must be evidenced by a recent overt act if the person is not totally confined at the time the petition is filed under RCW 71.09.030.

(4) "Mental abnormality" means a congenital or acquired condition affecting the emotional or volitional capacity which predisposes the person to the commission of criminal sexual acts in a degree constituting such person a menace to the health and safety of others.

(5) "Predatory" means acts directed towards: (a) Strangers; (b) individuals with whom a relationship has been established or promoted for the primary purpose of victimization; or (c) persons of casual acquaintance with whom no substantial personal relationship exists.

~~((5))~~ (6) "Recent overt act" means any act or threat that has either caused harm of a sexually violent nature or creates a reasonable apprehension of such harm in the mind of an objective person who knows of the history and mental condition of the person engaging in the act.

~~((6))~~ (7) "Risk potential activity" or "risk potential facility" means an activity or facility that provides a higher incidence of risk to the public from persons conditionally released from the special commitment center. Risk potential activities and facilities include: Public and private schools, school bus stops, licensed day care and licensed preschool facilities, public parks, publicly dedicated trails, sports fields, playgrounds, recreational and community centers, churches, synagogues, temples, mosques, and public libraries.

(8) "Secretary" means the secretary of social and health services or the secretary's designee.

(9) "Secure facility" means a residential facility for persons civilly confined under the provisions of this chapter that includes security measures sufficient to protect the community. Such facilities include total confinement facilities, secure community transition facilities, and any residence used as a court-ordered placement under RCW 71.09.096.

(10) "Secure community transition facility" means a residential facility for persons civilly committed and conditionally released to a less restrictive alternative under this chapter. A secure community transition facility has supervision and security, and either provides or ensures the provision of sex offender treatment

services. Secure community transition facilities include but are not limited to the facilities established pursuant to section 201 of this act and any community-based facilities established under this chapter and operated by the secretary or under contract with the secretary.

(11) "Sexually violent offense" means an act committed on, before, or after July 1, 1990, that is: (a) An act defined in Title 9A RCW as rape in the first degree, rape in the second degree by forcible compulsion, rape of a child in the first or second degree, statutory rape in the first or second degree, indecent liberties by forcible compulsion, indecent liberties against a child under age fourteen, incest against a child under age fourteen, or child molestation in the first or second degree; (b) a felony offense in effect at any time prior to July 1, 1990, that is comparable to a sexually violent offense as defined in (a) of this subsection, or any federal or out-of-state conviction for a felony offense that under the laws of this state would be a sexually violent offense as defined in this subsection; (c) an act of murder in the first or second degree, assault in the first or second degree, assault of a child in the first or second degree, kidnapping in the first or second degree, burglary in the first degree, residential burglary, or unlawful imprisonment, which act, either at the time of sentencing for the offense or subsequently during civil commitment proceedings pursuant to this chapter ((71.09 RCW)), has been determined beyond a reasonable doubt to have been sexually motivated, as that term is defined in RCW 9.94A.030; or (d) an act as described in chapter 9A.28 RCW, that is an attempt, criminal solicitation, or criminal conspiracy to commit one of the felonies designated in (a), (b), or (c) of this subsection.

~~((7) "Less restrictive alternative" means court-ordered treatment in a setting less restrictive than total confinement which satisfies the conditions set forth in RCW 71.09.092:~~

~~(8) "Secretary" means the secretary of social and health services or his or her designee:))~~

(12) "Sexually violent predator" means any person who has been convicted of or charged with a crime of sexual violence and who suffers from a mental abnormality or personality disorder which makes the person likely to engage in predatory acts of sexual violence if not confined in a secure facility.

(13) "Total confinement facility" means a facility that provides supervision and sex offender treatment services in a total confinement setting. Total confinement facilities include the special commitment center and any similar facility designated as a secure facility by the secretary.

PART II
SITING AND OPERATION OF SECURE COMMUNITY
TRANSITION FACILITIES

NEW SECTION. Sec. 20I. A new section is added to chapter 71.09 RCW to read as follows:

(1)(a) The secretary is authorized to site, construct, occupy, and operate a secure community transition facility on McNeil Island for persons authorized to petition for a less restrictive alternative under RCW 71.09.090(1) and who are conditionally released and a special commitment center on McNeil Island with up to four hundred four beds as a total confinement facility under this chapter, subject to appropriated funding for those purposes. The secure community transition facility shall be authorized for the number of beds needed to ensure compliance with the orders of the superior courts under this chapter and the federal district court for the western district of Washington. The total number of transitional beds shall be limited to fifteen. The residents occupying these beds shall be the only residents eligible for transitional services occurring in Pierce county. In no event shall more than fifteen residents of the secure community transition facility be participating in off-island transitional, educational, or employment activity at the same time in Pierce county. The department shall provide the Pierce county sheriff, or his or her designee, with a list of the fifteen residents so designated, along with their photographs and physical descriptions, and it shall be immediately updated whenever a residential change occurs. The Pierce county sheriff, or his or her designee, shall be provided an opportunity to confirm the residential status of each resident leaving McNeil Island.

(b) For purposes of this subsection, "transitional beds" means beds only for residents in halfway house status who are judged by a qualified expert to be suitable to leave the island for treatment, education, and employment.

(2)(a) The secretary is authorized to site, either within the secure community transition facility established pursuant to subsection (1) of this section, or within the special commitment center, up to nine pretransitional beds.

(b) Residents assigned to pretransitional beds shall not be permitted to leave McNeil Island for education, employment, treatment, or community activities in Pierce county.

(c) For purposes of this subsection, "pretransitional beds" means beds for residents whose progress toward a less secure residential environment and transition into more complete community involvement is projected to take substantially longer than a typical resident of the special commitment center.

(3) Notwithstanding RCW 36.70A.103 or any other law, this statute preempts and supersedes local plans, development regulations, permitting requirements, inspection requirements, and all other laws as necessary to enable the secretary to site, construct, occupy, and operate a secure community transition facility on McNeil Island and a total confinement facility on McNeil Island.

(4) To the greatest extent possible, until June 30, 2003, persons who were not civilly committed from the county in which the secure community transition

facility established pursuant to subsection (1) of this section is located may not be conditionally released to a setting in that same county less restrictive than that facility.

(5) As of the effective date of this section, the state shall immediately cease any efforts in effect on such date to site secure community transition facilities, other than the facility authorized by subsection (1) of this section, and shall instead site such facilities in accordance with the provisions of this section.

(6) The department must:

(a) Identify the minimum and maximum number of secure community transition facility beds in addition to the facility established under subsection (1) of this section that may be necessary for the period of May 2004 through May 2007 and provide notice of these numbers to all counties by August 31, 2001;

(b) In consultation with the joint select committee established in section 225 of this act, develop and publish policy guidelines for the siting and operation of secure community transition facilities by October 1, 2001; and

(c) Provide a status report to the appropriate committees of the legislature by December 1, 2002, on the development of facilities under the incentive program established in section 204 of this act. The report shall include a projection of the anticipated number of secure community transition facility beds that will become operational between May 2004 and May 2007. If it appears that an insufficient number of beds will be operational, the department's report shall recommend a progression of methods to facilitate siting in counties and cities including, if necessary, preemption of local land use planning process and other laws.

(7)(a) The total number of secure community transition facility beds that may be required to be sited in a county between the effective date of this section and June 30, 2008, may be no greater than the total number of persons civilly committed from that county, or detained at the special commitment center under a pending civil commitment petition from that county where a finding of probable cause had been made on April 1, 2001. The total number of secure community transition facility beds required to be sited in each county between July 1, 2008, and June 30, 2015, may be no greater than the total number of persons civilly committed from that county or detained at the special commitment center under a pending civil commitment petition from that county where a finding of probable cause had been made as of July 1, 2008.

(b) Counties and cities that provide secure community transition facility beds above the maximum number that they could be required to site under this subsection are eligible for a bonus grant under the incentive provisions in section 204 of this act. The county where the special commitment center is located shall receive this bonus grant for the number of beds in the facility established in subsection (1) of this section in excess of the maximum number established by this subsection.

(c) No secure community transition facilities in addition to the one established in subsection (1) of this section may be required to be sited in the county where the special commitment center is located until after June 30, 2008, provided however,

that the county and its cities may elect to site additional secure community transition facilities and shall be eligible under the incentive provisions of section 204 of this act for any additional facilities meeting the requirements of that section.

(8) In identifying potential sites within a county for the location of a secure community transition facility, the department shall work with and assist local governments to provide for the equitable distribution of such facilities. In coordinating and deciding upon the siting of secure community transition facilities, great weight shall be given by the county and cities within the county to:

(a) The number and location of existing residential facility beds operated by the department of corrections or the mental health division of the department of social and health services in each jurisdiction in the county; and

(b) The number of registered sex offenders classified as level II or level III and the number of sex offenders registered as homeless residing in each jurisdiction in the county.

(9)(a) "Equitable distribution" means siting or locating secure community transition facilities in a manner that will not cause a disproportionate grouping of similar facilities either in any one county, or in any one jurisdiction or community within a county, as relevant; and

(b) "Jurisdiction" means a city, town, or geographic area of a county in which district political or judicial authority may be exercised.

NEW SECTION. Sec. 202. A new section is added to chapter 72.09 RCW to read as follows:

The secretary is authorized to operate a correctional facility on McNeil Island for the confinement of sex offenders and other offenders sentenced by the courts, and to make necessary repairs, renovations, additions, and improvements to state property for that purpose, notwithstanding any local comprehensive plans, development regulations, permitting requirements, or any other local laws. Operation of the correctional facility and other state facilities authorized by this section and other law includes access to adequate docking facilities on state-owned tidelands at the town of Steilacoom.

Sec. 203. RCW 36.70A.103 and 1991 sp.s. c 32 s 4 are each amended to read as follows:

State agencies shall comply with the local comprehensive plans and development regulations and amendments thereto adopted pursuant to this chapter except as otherwise provided in sections 201 (1) through (3) and 202 of this act.

The provisions of this act do not affect the state's authority to site any other essential public facility under RCW 36.70A.200 in conformance with local comprehensive plans and development regulations adopted pursuant to chapter 36.70A RCW.

NEW SECTION. Sec. 204. A new section is added to chapter 71.09 RCW to read as follows:

(1) Upon receiving the notification required by section 201 of this act, counties must promptly notify the cities within the county of the maximum number of secure community transition facility beds that may be required and the projected number of beds to be needed in that county.

(2) The incentive grants provided under this section are subject to the following provisions:

(a) Counties and the cities within the county must notify each other of siting plans to promote the establishment and equitable distribution of secure community transition facilities;

(b) Development regulations, ordinances, plans, laws, and criteria established for siting must be consistent with statutory requirements and rules applicable to siting and operating secure community transition facilities;

(c) The minimum size for any facility is three beds; and

(d) The department must approve any sites selected.

(3) Any county or city that makes a commitment to initiate the process to site one or more secure community transition facilities by February 1, 2002, shall receive a planning grant as proposed and approved by the department of community, trade, and economic development.

(4) Any county or city that has issued all necessary permits by May 1, 2003, for one or more secure community transition facilities that comply with the requirements of this section shall receive an incentive grant in the amount of fifty thousand dollars for each bed sited.

(5) To encourage the rapid permitting of sites, any county or city that has issued all necessary permits by January 1, 2003, for one or more secure community transition facilities that comply with the requirements of this section shall receive a bonus in the amount of twenty percent of the amount provided under subsection (4) of this section.

(6) Any county or city that establishes secure community transition facility beds in excess of the maximum number that could be required to be sited in that county shall receive a bonus payment of one hundred thousand dollars for each bed established in excess of the maximum requirement.

(7) No payment shall be made under subsection (4), (5), or (6) of this section until all necessary permits have been issued.

Sec. 205. RCW 36.70A.200 and 1998 c 171 s 3 are each amended to read as follows:

(1) The comprehensive plan of each county and city that is planning under ~~((this chapter))~~ RCW 36.70A.040 shall include a process for identifying and siting essential public facilities. Essential public facilities include those facilities that are typically difficult to site, such as airports, state education facilities and state or regional transportation facilities as defined in RCW 47.06.140, state and local correctional facilities, solid waste handling facilities, and in-patient facilities including substance abuse facilities, mental health facilities, ~~((and))~~ group homes, and secure community transition facilities as defined in RCW 71.09.020.

(2) Each county and city planning under RCW 36.70A.040 shall, not later than the deadline specified in RCW 36.70A.130, establish a process, or amend its existing process, for identifying and siting essential public facilities, and adopt or amend its development regulations as necessary to provide for the siting of secure community transition facilities consistent with statutory requirements applicable to these facilities.

(3) Any city or county not planning under RCW 36.70A.040 shall, not later than the deadline specified in RCW 36.70A.130, establish a process for siting secure community transition facilities and adopt or amend its development regulations as necessary to provide for the siting of such facilities consistent with statutory requirements applicable to these facilities.

(4) The office of financial management shall maintain a list of those essential state public facilities that are required or likely to be built within the next six years. The office of financial management may at any time add facilities to the list.

(5) No local comprehensive plan or development regulation may preclude the siting of essential public facilities.

NEW SECTION. Sec. 206. A new section is added to chapter 71.09 RCW to read as follows:

The provisions of this act shall not be construed to limit siting of secure community transition facilities to residential neighborhoods.

NEW SECTION. Sec. 207. Beginning on the effective date of this section, the state shall immediately enter into negotiations for a mitigation agreement with: (1) The county in which the secure community transition facility established pursuant to section 201(1) of this act is located; (2) each community in which the persons from that facility will reside or regularly spend time in pursuant to court orders for regular work or education, or to receive social services, or will regularly be transported through to reach those other communities; and (3) educational institutions in the communities identified in subsections (1) and (2) of this section. The negotiations must be toward an agreement that will provide state funding, as appropriated for this purpose, in an amount adequate to mitigate anticipated or realized increased costs resulting from any increased risks to public safety brought about by the presence of sexually violent predators in those communities due to the siting of the secure community transition facility established pursuant to section 201(1) of this act. This section expires June 30, 2003.

NEW SECTION. Sec. 208. A new section is added to chapter 71.09 RCW to read as follows:

(1) The department shall make reasonable efforts to distribute the impact of the employment, education, and social services needs of the residents of the secure community transition facility established pursuant to section 201(1) of this act among the adjoining counties and not to concentrate the residents' use of resources in any one community.

(2) The department shall develop policies to ensure that, to the extent possible, placement of persons eligible in the future for conditional release to a setting less restrictive than the facility established pursuant to section 201(1) of this act will be equitably distributed among the counties and within jurisdictions in the county.

NEW SECTION. Sec. 209. The department of social and health services shall, by August 1, 2001, and prior to operating the secure community transition facility established pursuant to section 201(1) of this act, hold at least three public hearings in the affected communities within the county where the facility is located.

The purpose of the public hearings is to seek input from county and city officials, local law enforcement officials, and the public regarding operations and security measures needed to adequately protect the community from any increased risk to public safety brought about by the presence of persons conditionally released from the special commitment center in these communities due to the siting of the facility. The department shall ensure that persons have a full opportunity to speak to the issues to be addressed during each hearing.

NEW SECTION. Sec. 210. The secretary of social and health services shall coordinate with the secretary of corrections and the appropriate local or state law enforcement agency or agencies to establish a twenty-four-hour law enforcement presence on McNeil Island before any person is admitted to the secure community transition facility established under section 201(1) of this act. Law enforcement shall coordinate with the emergency response team for McNeil Island to provide planning and coordination in the event of an escape from the special commitment center or the secure community transition facility.

In addition, or if no law enforcement agency will provide a law enforcement presence on the island, not more than ten correctional employees, as selected by the secretary of corrections, who are members of the emergency response team for the McNeil Island correctional facility, shall have the powers and duties of a general authority peace officer while acting in a law enforcement capacity. If there is no law enforcement agency to provide the law enforcement presence, those correctional employees selected as peace officers shall provide a twenty-four-hour presence and shall not have correctional duties at the correctional facility in addition to the emergency response team while acting in a law enforcement capacity.

NEW SECTION. Sec. 211. A new section is added to chapter 71.09 RCW to read as follows:

(1) By August 1, 2001, the department must provide the appropriate committees of the legislature with a transportation plan to address the issues of coordinating the movement of residents of the secure community transition facility established pursuant to section 201(1) of this act between McNeil Island and the mainland with the movement of others who must use the same docks or equipment within the funds appropriated for this purpose.

(2) If the department does not provide a separate vessel for transporting residents of the secure community transition facility established in section 201(1) of this act between McNeil Island and the mainland, the plan shall include at least the following components:

(a) The residents shall be separated from minors and vulnerable adults, except vulnerable adults who have been found to be sexually violent predators.

(b) The residents shall not be transported during times when children are normally coming to and from the mainland for school.

(3) The department shall designate a separate waiting area at the points of debarkation, and residents shall be required to remain in this area while awaiting transportation.

(4) The department shall provide law enforcement agencies in the counties and cities in which residents of the secure community transition facility established pursuant to section 201(1) of this act regularly participate in employment, education, or social services, or through which these persons are regularly transported, with a copy of the court's order of conditional release with respect to these persons.

NEW SECTION. Sec. 212. A new section is added to chapter 71.09 RCW to read as follows:

When considering whether a person civilly committed under this chapter and conditionally released to a secure community transition facility is appropriate for release to a placement that is less restrictive than that facility, the court shall comply with the procedures set forth in RCW 71.09.090 through 71.09.096. In addition, the court shall consider whether the person has progressed in treatment to the point that a significant change in the person's routine, including but not limited to a change of employment, education, residence, or sex offender treatment provider will not cause the person to regress to the point that the person presents a greater risk to the community than can reasonably be addressed in the proposed placement.

NEW SECTION. Sec. 213. A new section is added to chapter 71.09 RCW to read as follows:

(1) Except with respect to the secure community transition facility established pursuant to section 201 of this act, the secretary shall develop policy guidelines that balance the average response time of emergency services to the general area of a proposed secure community transition facility against the proximity of the proposed site to risk potential activities and facilities in existence at the time the site is listed for consideration.

(2) In balancing the competing criteria of proximity and response time the policy guidelines shall endeavor to achieve an average law enforcement response time not greater than five minutes and in no case shall the policy guidelines permit location of a facility adjacent to, immediately across a street or parking lot from, or within the line of sight of a risk potential activity or facility in existence at the

time a site is listed for consideration. "Within the line of sight" means that it is possible to reasonably visually distinguish and recognize individuals.

(3) The policy guidelines shall require that great weight be given to sites that are the farthest removed from any risk potential activity.

(4) The policy guidelines shall specify how distance from the location is measured and any variations in the measurement based on the size of the property within which a proposed facility is to be located.

(5) The policy guidelines shall establish a method to analyze and compare the criteria for each site in terms of public safety and security, site characteristics, and program components. In making a decision regarding a site following the analysis and comparison, the secretary shall give priority to public safety and security considerations. The analysis and comparison of the criteria are to be documented and made available at the public hearings prescribed in section 219 of this act.

(6) Policy guidelines adopted by the secretary under this section shall be considered by counties and cities when providing for the siting of secure community transition facilities as required under RCW 36.70A.200.

NEW SECTION. Sec. 214. A new section is added to chapter 71.09 RCW to read as follows:

The secretary shall establish policy guidelines for the siting of secure community transition facilities, other than the secure community transition facility established pursuant to section 201 of this act, which shall include at least the following minimum requirements:

(1) The following criteria must be considered prior to any real property being listed for consideration for the location of or use as a secure community transition facility:

(a) The proximity and response time criteria established under section 213 of this act;

(b) The site or building is available for lease for the anticipated use period or for purchase;

(c) Security monitoring services and appropriate back-up systems are available and reliable;

(d) Appropriate mental health and sex offender treatment providers must be available within a reasonable commute; and

(e) Appropriate permitting for a secure community transition facility must be possible under the zoning code of the local jurisdiction.

(2) For sites which meet the criteria of subsection (1) of this section, the department shall analyze and compare the criteria in subsections (3) through (5) of this section using the method established in section 213 of this act.

(3) Public safety and security criteria shall include at least the following:

(a) Whether limited visibility between the facility and adjacent properties can be achieved prior to placement of any person;

(b) The distance from, and number of, risk potential activities and facilities, as measured using the rules adopted under section 213 of this act;

(c) The existence of or ability to establish barriers between the site and the risk potential facilities and activities;

(d) Suitability of the buildings to be used for the secure community transition facility with regard to existing or feasibly modified features; and

(e) The availability of electronic monitoring that allows a resident's location to be determined with specificity.

(4) Site characteristics criteria shall include at least the following:

(a) Reasonableness of rental, lease, or sale terms including length and renewability of a lease or rental agreement;

(b) Traffic and access patterns associated with the real property;

(c) Feasibility of complying with zoning requirements within the necessary time frame; and

(d) A contractor or contractors are available to install, monitor, and repair the necessary security and alarm systems.

(5) Program characteristics criteria shall include at least the following:

(a) Reasonable proximity to available medical, mental health, sex offender, and chemical dependency treatment providers and facilities;

(b) Suitability of the location for programming, staffing, and support considerations;

(c) Proximity to employment, educational, vocational, and other treatment plan components.

(6) For purposes of this section "available" or "availability" of qualified treatment providers includes provider qualifications and willingness to provide services, average commute time, and cost of services.

NEW SECTION. Sec. 215. A new section is added to chapter 71.09 RCW to read as follows:

(1) Security systems for all secure community transition facilities shall meet the following minimum qualifications:

(a) The security panel must be a commercial grade panel with tamper-proof switches and a key-lock to prevent unauthorized access.

(b) There must be an emergency electrical supply system which shall include a battery back-up system and a generator.

(c) The system must include personal panic devices for all staff.

(d) The security system must be capable of being monitored and signaled either by telephone through either a land or cellular telephone system or by private radio network in the event of a total dial-tone failure or through equivalent technologies.

(e) The department shall issue photo-identification badges to all staff which must be worn at all times.

(2) Security systems for the secure community transition facility established pursuant to section 201(1) of this act shall also include a fence and provide the maximum protection appropriate in a civil facility for persons in less than total confinement.

NEW SECTION. Sec. 216. A new section is added to chapter 71.09 RCW to read as follows:

(1) Secure community transition facilities shall meet the following minimum staffing requirements:

(a) At any time the census of a facility is six or fewer residents, the facility shall maintain a minimum staffing ratio of one staff per resident during normal waking hours and two awake staff per three residents during normal sleeping hours.

(b) At any time the census of a facility is six or fewer residents, all staff shall be classified as residential rehabilitation counselor II or have a classification that indicates a higher level of skill, experience, and training.

(c) Before being assigned to a facility, all staff shall have training in sex offender issues, self-defense, and crisis de-escalation skills in addition to departmental orientation and, as appropriate, management training. All staff with resident treatment or care duties must participate in ongoing in-service training.

(d) All staff must pass a departmental background check and the check is not subject to the limitations in chapter 9.96A RCW. A person who has been convicted of a felony, or any sex offense, may not be employed at the secure community transition facility or be approved as an escort for a resident of the facility.

(2) With respect to the facility established pursuant to section 201(1) of this act, the department shall, no later than December 1, 2001, provide a staffing plan to the appropriate committees of the legislature that will cover the growth of that facility to its full capacity.

NEW SECTION. Sec. 217. A new section is added to chapter 71.09 RCW to read as follows:

(1) Unless otherwise ordered by the court:

(a) Residents of a secure community transition facility shall wear electronic monitoring devices at all times. To the extent that electronic monitoring devices that employ global positioning system technology are available and funds for this purpose are appropriated by the legislature, the department shall use these devices.

(b) At least one staff member, or other court-authorized and department-approved person must escort each resident when the resident leaves the secure community transition facility for appointments, employment, or other approved activities. Escorting persons must supervise the resident closely and maintain close proximity to the resident. The escort must immediately notify the department of any serious violation, as defined in section 221 of this act, by the resident and must immediately notify law enforcement of any violation of law by the resident.

(2) Staff members of the special commitment center and any other total confinement facility and any secure community transition facility must be trained in self-defense and appropriate crisis responses including incident de-escalation. Prior to escorting a person outside of a facility, staff members must also have

training in the offense pattern of the offender they are escorting. The escort may not be a relative of the resident.

(3) Any escort must carry a cellular telephone or a similar device at all times when escorting a resident of a secure community transition facility.

(4) The department shall require training in offender pattern, self-defense, and incident response for all court-authorized escorts who are not employed by the department or the department of corrections.

NEW SECTION. Sec. 218. A new section is added to chapter 71.09 RCW to read as follows:

Notwithstanding the provisions of section 217 of this act, residents of the secure community transition facility established pursuant to section 201(1) of this act must be escorted at any time the resident leaves the facility.

NEW SECTION. Sec. 219. A new section is added to chapter 71.09 RCW to read as follows:

(1) Whenever the department operates, or the secretary enters into a contract to operate, a secure community transition facility except the secure community transition facility established pursuant to section 201(1) of this act, the secure community transition facility may be operated only after the public notification and opportunities for review and comment as required by this section.

(2) The secretary shall establish a process for early and continuous public participation in establishing or relocating secure community transition facilities. The process shall include, at a minimum, public meetings in the local communities affected, as well as opportunities for written and oral comments, in the following manner:

(a) If there are more than three sites initially selected as potential locations and the selection process by the secretary or a service provider reduces the number of possible sites for a secure community transition facility to no fewer than three, the secretary or the chief operating officer of the service provider shall notify the public of the possible siting and hold at least two public hearings in each community where a secure community transition facility may be sited.

(b) When the secretary or service provider has determined the secure community transition facility's location, the secretary or the chief operating officer of the service provider shall hold at least one additional public hearing in the community where the secure community transition facility will be sited.

(c) When the secretary has entered negotiations with a service provider and only one site is under consideration, then at least two public hearings shall be held.

(d) To provide adequate notice of, and opportunity for interested persons to comment on, a proposed location, the secretary or the chief operating officer of the service provider shall provide at least fourteen days' advance notice of the meeting to all newspapers of general circulation in the community, all radio and television stations generally available to persons in the community, any school district in which the secure community transition facility would be sited or whose boundary

is within two miles of a proposed secure community transition facility, any library district in which the secure community transition facility would be sited, local business or fraternal organizations that request notification from the secretary or agency, and any person or property owner within a one-half mile radius of the proposed secure community transition facility. Before initiating this process, the department of social and health services shall contact local government planning agencies in the communities containing the proposed secure community transition facility. The department of social and health services shall coordinate with local government agencies to ensure that opportunities are provided for effective citizen input and to reduce the duplication of notice and meetings.

(3) If local government land use regulations require that a special use or conditional use permit be submitted and approved before a secure community transition facility can be sited, and the process for obtaining such a permit includes public notice and hearing requirements similar to those required under this section, the requirements of this section shall not apply to the extent they would duplicate requirements under the local land use regulations.

(4) This section applies only to secure community transition facilities sited after the effective date of this section.

NEW SECTION. Sec. 220. A new section is added to chapter 71.09 RCW to read as follows:

(1) The secretary shall develop a process with local governments that allows each community in which a secure community transition facility is located to establish operational advisory boards of at least seven persons for the secure community transition facilities. The department may conduct community awareness activities to publicize this opportunity. The operational advisory boards developed under this section shall be implemented following the decision to locate a secure community transition facility in a particular community.

(2) The operational advisory boards may review and make recommendations regarding the security and operations of the secure community transition facility and conditions or modifications necessary with relation to any person who the secretary proposes to place in the secure community transition facility.

(3) The facility management must consider the recommendations of the community advisory boards. Where the facility management does not implement an operational advisory board recommendation, the management must provide a written response to the operational advisory board stating its reasons for its decision not to implement the recommendation.

(4) The operational advisory boards, their members, and any agency represented by a member shall not be liable in any cause of action as a result of its recommendations unless the advisory board acts with gross negligence or bad faith in making a recommendation.

NEW SECTION. Sec. 221. A new section is added to chapter 71.09 RCW to read as follows:

(1) The secretary shall adopt a violation reporting policy for persons conditionally released to less restrictive alternative placements. The policy shall require written documentation by the department and service providers of all violations of conditions set by the department, the department of corrections, or the court and establish criteria for returning a violator to the special commitment center or a secure community transition facility with a higher degree of security. Any conditionally released person who commits a serious violation of conditions shall be returned to the special commitment center, unless arrested by a law enforcement officer, and the court shall be notified immediately and shall initiate proceedings under RCW 71.09.098 to revoke or modify the less restrictive alternative placement. Nothing in this section limits the authority of the department to return a person to the special commitment center based on a violation that is not a serious violation as defined in this section. For the purposes of this section, "serious violation" includes but is not limited to:

- (a) The commission of any criminal offense;
- (b) Any unlawful use or possession of a controlled substance; and
- (c) Any violation of conditions targeted to address the person's documented pattern of offense that increases the risk to public safety.

(2) When a person is conditionally released to a less restrictive alternative under this chapter and is under the supervision of the department of corrections, notice of any violation of the person's conditions of release must also be made to the department of corrections.

(3) Whenever the secretary contracts with a service provider to operate a secure community transition facility, the contract shall include a requirement that the service provider must report to the department of social and health services any known violation of conditions committed by any resident of the secure community transition facility.

(4) The secretary shall document in writing all violations, penalties, actions by the department of social and health services to remove persons from a secure community transition facility, and contract terminations. The secretary shall compile this information and submit it to the appropriate committees of the legislature on an annual basis. The secretary shall give great weight to a service provider's record of violations, penalties, actions by the department of social and health services or the department of corrections to remove persons from a secure community transition facility, and contract terminations in determining whether to execute, renew, or renegotiate a contract with a service provider.

NEW SECTION. Sec. 222. A new section is added to chapter 71.09 RCW to read as follows:

Whenever the secretary contracts with a provider to operate a secure community transition facility, the secretary shall include in the contract provisions establishing intermediate contract enforcement remedies.

NEW SECTION. Sec. 223. A new section is added to chapter 71.09 RCW to read as follows:

A conditional release from a total confinement facility to a less restrictive alternative is a release that subjects the conditionally released person to the registration requirements specified in RCW 9A.44.130 and to community notification under RCW 4.24.550.

When a person is conditionally released to the secure community transition facility established pursuant to section 201(1) of this act, the sheriff must provide each household on McNeil Island with the community notification information provided for under RCW 4.24.550.

NEW SECTION. Sec. 224. A new section is added to chapter 71.09 RCW to read as follows:

An employer who hires a person who has been conditionally released to a less restrictive alternative must notify all other employees of the conditionally released person's status. Notification for conditionally released persons who enroll in an institution of higher education shall be made pursuant to the provisions of RCW 9A.44.130 related to sex offenders enrolled in institutions of higher education and RCW 4.24.550. This section applies only to conditionally released persons whose court approved treatment plan includes permission or a requirement for the person to obtain education or employment and to employment positions or educational programs that meet the requirements of the court-approved treatment plan.

NEW SECTION. Sec. 225. (1) A joint select committee on the equitable distribution of secure community transition facilities is established.

(2) The joint select committee shall consist of the following persons:

(a) One member from each of the two largest caucuses of the senate, appointed by the president of the senate, at least one member being a member of the senate human services and corrections committee;

(b) One member from each of the two largest caucuses of the house of representatives, appointed by the co-speakers of the house of representatives, at least one member being a member of the house criminal justice and corrections committee;

(c) One member from the department of social and health services;

(d) One member from the Washington state association of counties;

(e) One member from the association of Washington cities;

(f) One member representing crime victims, appointed jointly by the president of the senate and the co-speakers of the house of representatives;

(g) One person selected by the governor; and

(h) Two persons representing local law enforcement, one representing cities and one representing counties.

(3) The chair of the joint select committee shall be a legislative member chosen by the joint select committee members.

(4) The joint select committee shall review and make recommendations regarding:

(a) Any necessary specifications or revisions to ensure equitable distribution of secure community transition facilities throughout the state;

(b) Any necessary revisions to the provisions related to siting and operating secure community transition facilities in sections 213 through 218 and 222 of this act; and

(c) Except with respect to the facility established pursuant to section 201(1) of this act, a method for determining possible mitigation measures for compensating communities for any increased risks to public safety brought about by the siting of a secure community transition facility in a community.

(5) The joint select committee shall present a report of its findings and recommendations to the governor and the appropriate committees of the legislature, including any proposed legislation, not later than November 15, 2001.

(6) The joint select committee may, where feasible, consult with individuals from the public and private sector in carrying out its duties under this section.

(7) Nonlegislative members of the joint select committee shall serve without compensation, but shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060. Legislative members of the joint select committee shall be reimbursed for travel expenses as provided in RCW 44.04.120.

(8) Staff of senate committee services and the office of program research of the house of representatives shall provide support to the joint select committee.

(9) This section expires March 1, 2002.

NEW SECTION. Sec. 226. A new section is added to chapter 71.09 RCW to read as follows:

Nothing in this act shall operate to restrict a court's authority to make less restrictive alternative placements to a committed person's individual residence or to a setting less restrictive than a secure community transition facility. A court-ordered less restrictive alternative placement to a committed person's individual residence is not a less restrictive alternative placement to a secure community transition facility.

PART III SENTENCING STRUCTURE

Sec. 301. RCW 9.94A.030 and 2001 c 287 s 4 and 2001 c 95 s 1 are each reenacted and amended to read as follows:

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

(1) "Board" means the indeterminate sentence review board created under chapter 9.95 RCW.

(2) "Collect," or any derivative thereof, "collect and remit," or "collect and deliver," when used with reference to the department, means that the department, either directly or through a collection agreement authorized by RCW 9.94A.145, is responsible for monitoring and enforcing the offender's sentence with regard to the legal financial obligation, receiving payment thereof from the offender, and, consistent with current law, delivering daily the entire payment to the superior court clerk without depositing it in a departmental account.

((2)) (3) "Commission" means the sentencing guidelines commission.

~~((3))~~ (4) "Community corrections officer" means an employee of the department who is responsible for carrying out specific duties in supervision of sentenced offenders and monitoring of sentence conditions.

~~((4))~~ (5) "Community custody" means that portion of an offender's sentence of confinement in lieu of earned release time or imposed pursuant to RCW 9.94A.120(2)(b), 9.94A.650 through 9.94A.670, 9.94A.137, 9.94A.700 through 9.94A.715, or 9.94A.383, served in the community subject to controls placed on the offender's movement and activities by the department. For offenders placed on community custody for crimes committed on or after July 1, 2000, the department shall assess the offender's risk of reoffense and may establish and modify conditions of community custody, in addition to those imposed by the court, based upon the risk to community safety.

~~((5))~~ (6) "Community custody range" means the minimum and maximum period of community custody included as part of a sentence under RCW 9.94A.715, as established by the commission or the legislature under RCW 9.94A.040, for crimes committed on or after July 1, 2000.

~~((6))~~ (7) "Community placement" means that period during which the offender is subject to the conditions of community custody and/or postrelease supervision, which begins either upon completion of the term of confinement (postrelease supervision) or at such time as the offender is transferred to community custody in lieu of earned release. Community placement may consist of entirely community custody, entirely postrelease supervision, or a combination of the two.

~~((7))~~ (8) "Community service" means compulsory service, without compensation, performed for the benefit of the community by the offender.

~~((8))~~ (9) "Community supervision" means a period of time during which a convicted offender is subject to crime-related prohibitions and other sentence conditions imposed by a court pursuant to this chapter or RCW 16.52.200(6) or 46.61.524. Where the court finds that any offender has a chemical dependency that has contributed to his or her offense, the conditions of supervision may, subject to available resources, include treatment. For purposes of the interstate compact for out-of-state supervision of parolees and probationers, RCW 9.95.270, community supervision is the functional equivalent of probation and should be considered the same as probation by other states.

~~((9))~~ (10) "Confinement" means total or partial confinement.

~~((10))~~ (11) "Conviction" means an adjudication of guilt pursuant to Titles 10 or 13 RCW and includes a verdict of guilty, a finding of guilty, and acceptance of a plea of guilty.

~~((11))~~ (12) "Crime-related prohibition" means an order of a court prohibiting conduct that directly relates to the circumstances of the crime for which the offender has been convicted, and shall not be construed to mean orders directing an offender affirmatively to participate in rehabilitative programs or to otherwise perform affirmative conduct. However, affirmative acts necessary to monitor compliance with the order of a court may be required by the department.

~~((12))~~ (13) "Criminal history" means the list of a defendant's prior convictions and juvenile adjudications, whether in this state, in federal court, or elsewhere. The history shall include, where known, for each conviction (a) whether the defendant has been placed on probation and the length and terms thereof; and (b) whether the defendant has been incarcerated and the length of incarceration.

~~((13))~~ (14) "Day fine" means a fine imposed by the sentencing court that equals the difference between the offender's net daily income and the reasonable obligations that the offender has for the support of the offender and any dependents.

~~((14))~~ (15) "Day reporting" means a program of enhanced supervision designed to monitor the offender's daily activities and compliance with sentence conditions, and in which the offender is required to report daily to a specific location designated by the department or the sentencing court.

~~((15))~~ (16) "Department" means the department of corrections.

~~((16))~~ (17) "Determinate sentence" means a sentence that states with exactitude the number of actual years, months, or days of total confinement, of partial confinement, of community supervision, the number of actual hours or days of community service work, or dollars or terms of a legal financial obligation. The fact that an offender through earned release can reduce the actual period of confinement shall not affect the classification of the sentence as a determinate sentence.

~~((17))~~ (18) "Disposable earnings" means that part of the earnings of an offender remaining after the deduction from those earnings of any amount required by law to be withheld. For the purposes of this definition, "earnings" means compensation paid or payable for personal services, whether denominated as wages, salary, commission, bonuses, or otherwise, and, notwithstanding any other provision of law making the payments exempt from garnishment, attachment, or other process to satisfy a court-ordered legal financial obligation, specifically includes periodic payments pursuant to pension or retirement programs, or insurance policies of any type, but does not include payments made under Title 50 RCW, except as provided in RCW 50.40.020 and 50.40.050, or Title 74 RCW.

~~((18))~~ (19) "Drug offender sentencing alternative" is a sentencing option available to persons convicted of a felony offense other than a violent offense or a sex offense and who are eligible for the option under RCW 9.94A.660.

~~((19))~~ (20) "Drug offense" means:

(a) Any felony violation of chapter 69.50 RCW except possession of a controlled substance (RCW 69.50.401(d)) or forged prescription for a controlled substance (RCW 69.50.403);

(b) Any offense defined as a felony under federal law that relates to the possession, manufacture, distribution, or transportation of a controlled substance;
or

(c) Any out-of-state conviction for an offense that under the laws of this state would be a felony classified as a drug offense under (a) of this subsection.

~~((20))~~ (21) "Earned release" means earned release from confinement as provided in RCW 9.94A.150.

~~((21))~~ (22) "Escape" means:

(a) ~~((Escape by a))~~ Sexually violent predator escape (RCW 9A.76.— (section 1, chapter 287, Laws of 2001, as amended by section 360, chapter ... (this act), Laws of 2001 2nd sp. sess.)), escape in the first degree (RCW 9A.76.110), escape in the second degree (RCW 9A.76.120), willful failure to return from furlough (RCW 72.66.060), willful failure to return from work release (RCW 72.65.070), or willful failure to be available for supervision by the department while in community custody (RCW 72.09.310); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as an escape under (a) of this subsection.

~~((22))~~ (23) "Felony traffic offense" means:

(a) Vehicular homicide (RCW 46.61.520), vehicular assault (RCW 46.61.522), eluding a police officer (RCW 46.61.024), or felony hit-and-run injury-accident (RCW 46.52.020(4)); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a felony traffic offense under (a) of this subsection.

~~((23))~~ (24) "Fine" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specific period of time.

~~((24))~~ (25) "First-time offender" means any person who has no prior convictions for a felony and is eligible for the first-time offender waiver under RCW 9.94A.650.

~~((25))~~ (26) "Home detention" means a program of partial confinement available to offenders wherein the offender is confined in a private residence subject to electronic surveillance.

~~((25))~~ (27) "Legal financial obligation" means a sum of money that is ordered by a superior court of the state of Washington for legal financial obligations which may include restitution to the victim, statutorily imposed crime victims' compensation fees as assessed pursuant to RCW 7.68.035, court costs, county or interlocal drug funds, court-appointed attorneys' fees, and costs of defense, fines, and any other financial obligation that is assessed to the offender as a result of a felony conviction. Upon conviction for vehicular assault while under the influence of intoxicating liquor or any drug, RCW 46.61.522(1)(b), or vehicular homicide while under the influence of intoxicating liquor or any drug, RCW 46.61.520(1)(a), legal financial obligations may also include payment to a public agency of the expense of an emergency response to the incident resulting in the conviction, subject to RCW 38.52.430.

~~((27))~~ (28) "Most serious offense" means any of the following felonies or a felony attempt to commit any of the following felonies:

- (a) Any felony defined under any law as a class A felony or criminal solicitation of or criminal conspiracy to commit a class A felony;
- (b) Assault in the second degree;
- (c) Assault of a child in the second degree;
- (d) Child molestation in the second degree;
- (e) Controlled substance homicide;
- (f) Extortion in the first degree;
- (g) Incest when committed against a child under age fourteen;
- (h) Indecent liberties;
- (i) Kidnapping in the second degree;
- (j) Leading organized crime;
- (k) Manslaughter in the first degree;
- (l) Manslaughter in the second degree;
- (m) Promoting prostitution in the first degree;
- (n) Rape in the third degree;
- (o) Robbery in the second degree;
- (p) Sexual exploitation;
- (q) Vehicular assault;
- (r) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;
- (s) Any other class B felony offense with a finding of sexual motivation;
- (t) Any other felony with a deadly weapon verdict under RCW 9.94A.125;
- (u) Any felony offense in effect at any time prior to December 2, 1993, that is comparable to a most serious offense under this subsection, or any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a most serious offense under this subsection;
- (v)(i) A prior conviction for indecent liberties under RCW 9A.88.100(1) (a), (b), and (c), chapter 260, Laws of 1975 1st ex. sess. as it existed until July 1, 1979, RCW 9A.44.100(I) (a), (b), and (c) as it existed from July 1, 1979, until June 11, 1986, and RCW 9A.44.100(1) (a), (b), and (d) as it existed from June 11, 1986, until July 1, 1988;
- (ii) A prior conviction for indecent liberties under RCW 9A.44.100(1)(c) as it existed from June 11, 1986, until July 1, 1988, if: (A) The crime was committed against a child under the age of fourteen; or (B) the relationship between the victim and perpetrator is included in the definition of indecent liberties under RCW 9A.44.100(1)(c) as it existed from July 1, 1988, through July 27, 1997, or RCW 9A.44.100(1) (d) or (e) as it existed from July 25, 1993, through July 27, 1997.
- ~~((28))~~ (29) "Nonviolent offense" means an offense which is not a violent offense.
- ~~((29))~~ (30) "Offender" means a person who has committed a felony established by state law and is eighteen years of age or older or is less than

eighteen years of age but whose case is under superior court jurisdiction under RCW 13.04.030 or has been transferred by the appropriate juvenile court to a criminal court pursuant to RCW 13.40.110. Throughout this chapter, the terms "offender" and "defendant" are used interchangeably.

~~((30))~~ (31) "Partial confinement" means confinement for no more than one year in a facility or institution operated or utilized under contract by the state or any other unit of government, or, if home detention or work crew has been ordered by the court, in an approved residence, for a substantial portion of each day with the balance of the day spent in the community. Partial confinement includes work release, home detention, work crew, and a combination of work crew and home detention.

~~((31))~~ (32) "Persistent offender" is an offender who:

(a)(i) Has been convicted in this state of any felony considered a most serious offense; and

(ii) Has, before the commission of the offense under (a) of this subsection, been convicted as an offender on at least two separate occasions, whether in this state or elsewhere, of felonies that under the laws of this state would be considered most serious offenses and would be included in the offender score under RCW 9.94A.360; provided that of the two or more previous convictions, at least one conviction must have occurred before the commission of any of the other most serious offenses for which the offender was previously convicted; or

(b)(i) Has been convicted of: (A) Rape in the first degree, rape of a child in the first degree, child molestation in the first degree, rape in the second degree, rape of a child in the second degree, or indecent liberties by forcible compulsion; (B) any of the following offenses with a finding of sexual motivation: Murder in the first degree, murder in the second degree, homicide by abuse, kidnapping in the first degree, kidnapping in the second degree, assault in the first degree, assault in the second degree, assault of a child in the first degree, or burglary in the first degree~~(, with a finding of sexual motivation)~~; or (C) an attempt to commit any crime listed in this subsection ~~((31))~~ (32)(b)(i); and

(ii) Has, before the commission of the offense under (b)(i) of this subsection, been convicted as an offender on at least one occasion, whether in this state or elsewhere, of an offense listed in (b)(i) of this subsection. A conviction for rape of a child in the first degree constitutes a conviction under (b)(i) of this subsection only when the offender was sixteen years of age or older when the offender committed the offense. A conviction for rape of a child in the second degree constitutes a conviction under (b)(i) of this subsection only when the offender was eighteen years of age or older when the offender committed the offense.

~~((32))~~ (33) "Postrelease supervision" is that portion of an offender's community placement that is not community custody.

~~((33))~~ (34) "Restitution" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specified period of time as payment of damages. The sum may include both public and private costs.

~~((34))~~ (35) "Risk assessment" means the application of an objective instrument supported by research and adopted by the department for the purpose of assessing an offender's risk of reoffense, taking into consideration the nature of the harm done by the offender, place and circumstances of the offender related to risk, the offender's relationship to any victim, and any information provided to the department by victims. The results of a risk assessment shall not be based on unconfirmed or unconfirmable allegations.

~~((35))~~ (36) "Serious traffic offense" means:

(a) Driving while under the influence of intoxicating liquor or any drug (RCW 46.61.502), actual physical control while under the influence of intoxicating liquor or any drug (RCW 46.61.504), reckless driving (RCW 46.61.500), or hit-and-run an attended vehicle (RCW 46.52.020(5)); or

(b) Any federal, out-of-state, county, or municipal conviction for an offense that under the laws of this state would be classified as a serious traffic offense under (a) of this subsection.

~~((36))~~ (37) "Serious violent offense" is a subcategory of violent offense and means:

(a)(i) Murder in the first degree;

(ii) Homicide by abuse;

(iii) Murder in the second degree;

(iv) Manslaughter in the first degree;

(v) Assault in the first degree;

(vi) Kidnapping in the first degree;

(vii) Rape in the first degree;

(viii) Assault of a child in the first degree; or

(ix) An attempt, criminal solicitation, or criminal conspiracy to commit one of these felonies; or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a serious violent offense under (a) of this subsection.

~~((37))~~ (38) "Sex offense" means:

(a)(i) A felony that is a violation of chapter 9A.44 RCW other than RCW 9A.44.130(11);

(ii) A violation of RCW 9A.64.020;

(iii) A felony that is a violation of chapter 9.68A RCW other than RCW 9.68A.070 or 9.68A.080; or

(iv) A felony that is, under chapter 9A.28 RCW, a criminal attempt, criminal solicitation, or criminal conspiracy to commit such crimes;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a sex offense in (a) of this subsection;

(c) A felony with a finding of sexual motivation under RCW 9.94A.127 or 13.40.135; or

(d) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a sex offense under (a) of this subsection.

~~((38))~~ (39) "Sexual motivation" means that one of the purposes for which the defendant committed the crime was for the purpose of his or her sexual gratification.

~~((39))~~ (40) "Standard sentence range" means the sentencing court's discretionary range in imposing a nonappealable sentence.

~~((40))~~ (41) "Statutory maximum sentence" means the maximum length of time for which an offender may be confined as punishment for a crime as prescribed in chapter 9A.20 RCW, RCW 9.92.010, the statute defining the crime, or other statute defining the maximum penalty for a crime.

~~((41))~~ (42) "Total confinement" means confinement inside the physical boundaries of a facility or institution operated or utilized under contract by the state or any other unit of government for twenty-four hours a day, or pursuant to RCW 72.64.050 and 72.64.060.

~~((42))~~ (43) "Transition training" means written and verbal instructions and assistance provided by the department to the offender during the two weeks prior to the offender's successful completion of the work ethic camp program. The transition training shall include instructions in the offender's requirements and obligations during the offender's period of community custody.

~~((43))~~ (44) "Victim" means any person who has sustained emotional, psychological, physical, or financial injury to person or property as a direct result of the crime charged.

~~((44))~~ (45) "Violent offense" means:

(a) Any of the following felonies:

(i) Any felony defined under any law as a class A felony or an attempt to commit a class A felony;

(ii) Criminal solicitation of or criminal conspiracy to commit a class A felony;

(iii) Manslaughter in the first degree;

(iv) Manslaughter in the second degree;

(v) Indecent liberties if committed by forcible compulsion;

(vi) Kidnapping in the second degree;

(vii) Arson in the second degree;

(viii) Assault in the second degree;

(ix) Assault of a child in the second degree;

(x) Extortion in the first degree;

(xi) Robbery in the second degree;

(xii) Drive-by shooting;

(xiii) Vehicular assault; and

(xiv) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a violent offense in (a) of this subsection; and

(c) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a violent offense under (a) or (b) of this subsection.

~~((45))~~ (46) "Work crew" means a program of partial confinement consisting of civic improvement tasks for the benefit of the community that complies with RCW 9.94A.135.

~~((46))~~ (47) "Work ethic camp" means an alternative incarceration program as provided in RCW 9.94A.137 designed to reduce recidivism and lower the cost of corrections by requiring offenders to complete a comprehensive array of real-world job and vocational experiences, character-building work ethics training, life management skills development, substance abuse rehabilitation, counseling, literacy training, and basic adult education.

~~((47))~~ (48) "Work release" means a program of partial confinement available to offenders who are employed or engaged as a student in a regular course of study at school.

Sec. 302. RCW 9.94A.715 and 2001 c 10 s 5 are each amended to read as follows:

(1) When a court sentences a person to the custody of the department for a sex offense not sentenced under section 303 of this act, a violent offense, any crime against persons under RCW 9.94A.440(2), or a felony offense under chapter 69.50 or 69.52 RCW, committed on or after July 1, 2000, the court shall in addition to the other terms of the sentence, sentence the offender to community custody for the community custody range established under RCW 9.94A.040 or up to the period of earned release awarded pursuant to RCW 9.94A.150 (1) and (2), whichever is longer. The community custody shall begin: (a) Upon completion of the term of confinement; (b) at such time as the offender is transferred to community custody in lieu of earned release in accordance with RCW 9.94A.150 (1) and (2); or (c) with regard to offenders sentenced under RCW 9.94A.660, upon failure to complete or administrative termination from the special drug offender sentencing alternative program.

(2)(a) Unless a condition is waived by the court, the conditions of community custody shall include those provided for in RCW 9.94A.700(4). The conditions may also include those provided for in RCW 9.94A.700(5). The court may also order the offender to participate in rehabilitative programs or otherwise perform affirmative conduct reasonably related to the circumstances of the offense, the offender's risk of reoffending, or the safety of the community, and the department shall enforce such conditions pursuant to subsection (6) of this section.

(b) As part of any sentence that includes a term of community custody imposed under this subsection, the court shall also require the offender to comply with any conditions imposed by the department under RCW 9.94A.720. The department shall assess the offender's risk of reoffense and may establish and

modify additional conditions of the offender's community custody based upon the risk to community safety. In addition, the department may require the offender to participate in rehabilitative programs, or otherwise perform affirmative conduct, and to obey all laws.

(c) The department may not impose conditions that are contrary to those ordered by the court and may not contravene or decrease court imposed conditions. The department shall notify the offender in writing of any such conditions or modifications. In setting, modifying, and enforcing conditions of community custody, the department shall be deemed to be performing a quasi-judicial function.

(3) If an offender violates conditions imposed by the court or the department pursuant to this section during community custody, the department may transfer the offender to a more restrictive confinement status and impose other available sanctions as provided in RCW 9.94A.205 and 9.94A.207.

(4) Except for terms of community custody under RCW 9.94A.670, the department shall discharge the offender from community custody on a date determined by the department, which the department may modify, based on risk and performance of the offender, within the range or at the end of the period of earned release, whichever is later.

(5) At any time prior to the completion or termination of a sex offender's term of community custody, if the court finds that public safety would be enhanced, the court may impose and enforce an order extending any or all of the conditions imposed pursuant to this section for a period up to the maximum allowable sentence for the crime as it is classified in chapter 9A.20 RCW, regardless of the expiration of the offender's term of community custody. If a violation of a condition extended under this subsection occurs after the expiration of the offender's term of community custody, it shall be deemed a violation of the sentence for the purposes of RCW 9.94A.195 and may be punishable as contempt of court as provided for in RCW 7.21.040. If the court extends a condition beyond the expiration of the term of community custody, the department is not responsible for supervision of the offender's compliance with the condition.

(6) Within the funds available for community custody, the department shall determine conditions and duration of community custody on the basis of risk to community safety, and shall supervise offenders during community custody on the basis of risk to community safety and conditions imposed by the court. The secretary shall adopt rules to implement the provisions of this subsection.

(7) By the close of the next business day after receiving notice of a condition imposed or modified by the department, an offender may request an administrative review under rules adopted by the department. The condition shall remain in effect unless the reviewing officer finds that it is not reasonably related to any of the following: (a) The crime of conviction; (b) the offender's risk of reoffending; or (c) the safety of the community.

NEW SECTION. Sec. 303. A new section is added to chapter 9.94A RCW to read as follows:

(1) An offender who is not a persistent offender shall be sentenced under this section if the offender:

(a) Is convicted of:

(i) Rape in the first degree, rape in the second degree, rape of a child in the first degree, child molestation in the first degree, rape of a child in the second degree, or indecent liberties by forcible compulsion;

(ii) Any of the following offenses with a finding of sexual motivation: Murder in the first degree, murder in the second degree, homicide by abuse, kidnapping in the first degree, kidnapping in the second degree, assault in the first degree, assault in the second degree, assault of a child in the first degree, or burglary in the first degree; or

(iii) An attempt to commit any crime listed in this subsection (1)(a); committed on or after the effective date of this section; or

(b) Has a prior conviction for an offense listed in RCW 9.94A.030(32)(b), and is convicted of any sex offense which was committed after the effective date of this section.

For purposes of this subsection (1)(b), failure to register is not a sex offense.

(2) An offender convicted of rape of a child in the first or second degree or child molestation in the first degree who was seventeen years of age or younger at the time of the offense shall not be sentenced under this section.

(3) Upon a finding that the offender is subject to sentencing under this section, the court shall impose a sentence to a maximum term consisting of the statutory maximum sentence for the offense and a minimum term either within the standard sentence range for the offense, or outside the standard sentence range pursuant to RCW 9.94A.390, if the offender is otherwise eligible for such a sentence.

(4) A person sentenced under subsection (3) of this section shall serve the sentence in a facility or institution operated, or utilized under contract, by the state.

(5) When a court sentences a person to the custody of the department under this section, the court shall, in addition to the other terms of the sentence, sentence the offender to community custody under the supervision of the department and the authority of the board for any period of time the person is released from total confinement before the expiration of the maximum sentence.

(6)(a) Unless a condition is waived by the court, the conditions of community custody shall include those provided for in RCW 9.94A.700(4). The conditions may also include those provided for in RCW 9.94A.700(5). The court may also order the offender to participate in rehabilitative programs or otherwise perform affirmative conduct reasonably related to the circumstances of the offense, the offender's risk of reoffending, or the safety of the community, and the department and the board shall enforce such conditions pursuant to sections 304, 307, and 308 of this act.

(b) As part of any sentence under this section, the court shall also require the offender to comply with any conditions imposed by the board under sections 304 and 306 through 309 of this act.

NEW SECTION. Sec. 304. A new section is added to chapter 9.94A RCW to read as follows:

(1) When an offender is sentenced under section 303 of this act, the department shall assess the offender's risk of recidivism and shall recommend to the board any additional or modified conditions of the offender's community custody based upon the risk to community safety. In addition, the department shall make a recommendation with regard to, and the board may require the offender to participate in, rehabilitative programs, or otherwise perform affirmative conduct, and obey all laws. The board must consider and may impose department-recommended conditions.

(2) The department may not recommend and the board may not impose conditions that are contrary to those ordered by the court and may not contravene or decrease court-imposed conditions. The board shall notify the offender in writing of any such conditions or modifications.

(3) In setting, modifying, and enforcing conditions of community custody, the department shall be deemed to be performing a quasi-judicial function.

(4) If an offender violates conditions imposed by the court, the department, or the board during community custody, the board or the department may transfer the offender to a more restrictive confinement status and impose other available sanctions as provided in section 309 of this act.

(5) By the close of the next business day, after receiving notice of a condition imposed by the board or the department, an offender may request an administrative hearing under rules adopted by the board. The condition shall remain in effect unless the hearing examiner finds that it is not reasonably related to any of the following:

- (a) The crime of conviction;
- (b) The offender's risk of reoffending; or
- (c) The safety of the community.

(6) An offender released by the board under section 306 of this act shall be subject to the supervision of the department until the expiration of the maximum term of the sentence. The department shall monitor the offender's compliance with conditions of community custody imposed by the court, department, or board, and promptly report any violations to the board. Any violation of conditions of community custody established or modified by the board shall be subject to the provisions of sections 307 through 310 of this act.

(7) If the department finds that an emergency exists requiring the immediate imposition of conditions of release in addition to those set by the board under section 306 of this act and subsection (1) of this section in order to prevent the offender from committing a crime, the department may impose additional conditions. The department may not impose conditions that are contrary to those set by the board or the court and may not contravene or decrease court-imposed or

board-imposed conditions. Conditions imposed under this subsection shall take effect immediately after notice to the offender by personal service, but shall not remain in effect longer than seven working days unless approved by the board under subsection (1) of this section within seven working days.

NEW SECTION. Sec. 305. A new section is added to chapter 72.09 RCW to read as follows:

The department shall provide offenders sentenced under section 303 of this act with the opportunity for sex offender treatment during incarceration.

NEW SECTION. Sec. 306. A new section is added to chapter 9.95 RCW to read as follows:

(1)(a) Before the expiration of the minimum term, as part of the end of sentence review process under RCW 72.09.340, 72.09.345, and where appropriate, 72.09.370, the department shall conduct, and the offender shall participate in, an examination of the offender, incorporating methodologies that are recognized by experts in the prediction of sexual dangerousness, and including a prediction of the probability that the offender will engage in sex offenses if released.

(b) The board may contract for an additional, independent examination, subject to the standards in this section.

(2) The board shall impose the conditions and instructions provided for in RCW 9.94A.720. The board shall consider the department's recommendations and may impose conditions in addition to those recommended by the department. The board may impose or modify conditions of community custody following notice to the offender.

(3) No later than ninety days before expiration of the minimum term, but after the board receives the results from the end of sentence review process and the recommendations for additional or modified conditions of community custody from the department, the board shall conduct a hearing to determine whether it is more likely than not that the offender will engage in sex offenses if released on conditions to be set by the board. The board may consider an offender's failure to participate in an evaluation under subsection (1) of this section in determining whether to release the offender. The board shall order the offender released, under such affirmative and other conditions as the board determines appropriate, unless the board determines by a preponderance of the evidence that, despite such conditions, it is more likely than not that the offender will commit sex offenses if released. If the board does not order the offender released, the board shall establish a new minimum term, not to exceed an additional two years.

NEW SECTION. Sec. 307. A new section is added to chapter 9.95 RCW to read as follows:

(1) Whenever the board or a community corrections officer of this state has reason to believe an offender released under section 306 of this act has violated a condition of community custody or the laws of this state, any community corrections officer may arrest or cause the arrest and detention of the offender pending a determination by the board whether sanctions should be imposed or the

offender's community custody should be revoked. The community corrections officer shall report all facts and circumstances surrounding the alleged violation to the board, with recommendations.

(2) If the board or the department causes the arrest or detention of an offender for a violation that does not amount to a new crime and the offender is arrested or detained by local law enforcement or in a local jail, the board or department, whichever caused the arrest or detention, shall be financially responsible for local costs. Jail bed costs shall be allocated at the rate established under RCW 9.94A.207(3).

NEW SECTION. Sec. 308. A new section is added to chapter 9.95 RCW to read as follows:

Any offender released under section 306 of this act who is arrested and detained in physical custody by the authority of a community corrections officer, or upon the written order of the board, shall not be released from custody on bail or personal recognizance, except upon approval of the board and the issuance by the board of an order reinstating the offender's release on the same or modified conditions. All chiefs of police, marshals of cities and towns, sheriffs of counties, and all police, prison, and peace officers and constables shall execute any such order in the same manner as any ordinary criminal process.

NEW SECTION. Sec. 309. A new section is added to chapter 9.95 RCW to read as follows:

(1) If an offender released by the board under section 306 of this act violates any condition or requirement of community custody, the board may transfer the offender to a more restrictive confinement status to serve up to the remaining portion of the sentence, less credit for any period actually spent in community custody or in detention awaiting disposition of an alleged violation and subject to the limitations of subsection (2) of this section.

(2) Following the hearing specified in subsection (3) of this section, the board may impose sanctions such as work release, home detention with electronic monitoring, work crew, community service, inpatient treatment, daily reporting, curfew, educational or counseling sessions, supervision enhanced through electronic monitoring, or any other sanctions available in the community, or may suspend or revoke the release to community custody whenever an offender released by the board under section 306 of this act violates any condition or requirement of community custody.

(3) If an offender released by the board under section 306 of this act is accused of violating any condition or requirement of community custody, he or she is entitled to a hearing before the board prior to the imposition of sanctions. The hearing shall be considered as offender disciplinary proceedings and shall not be subject to chapter 34.05 RCW. The board shall develop hearing procedures and a structure of graduated sanctions consistent with the hearing procedures and graduated sanctions developed pursuant to RCW 9.94A.205. The board may suspend the offender's release to community custody and confine the offender in

a correctional institution owned, operated by, or operated under contract with the state prior to the hearing unless the offender has been arrested and confined for a new criminal offense.

(4) The hearing procedures required under subsection (3) of this section shall be developed by rule and include the following:

(a) Hearings shall be conducted by members of the board unless the board enters into an agreement with the department to use the hearing officers established under RCW 9.94A.205;

(b) The board shall provide the offender with written notice of the violation, the evidence relied upon, and the reasons the particular sanction was imposed. The notice shall include a statement of the rights specified in this subsection, and the offender's right to file a personal restraint petition under court rules after the final decision of the board;

(c) The hearing shall be held unless waived by the offender, and shall be electronically recorded. For offenders not in total confinement, the hearing shall be held within fifteen working days, but not less than twenty-four hours after notice of the violation. For offenders in total confinement, the hearing shall be held within five working days, but not less than twenty-four hours after notice of the violation;

(d) The offender shall have the right to: (i) Be present at the hearing; (ii) have the assistance of a person qualified to assist the offender in the hearing, appointed by the hearing examiner if the offender has a language or communications barrier; (iii) testify or remain silent; (iv) call witnesses and present documentary evidence; (v) question witnesses who appear and testify; and (vi) be represented by counsel if revocation of the release to community custody is a possible sanction for the violation; and

(e) The sanction shall take effect if affirmed by the hearing examiner. Within seven days after the hearing examiner's decision, the offender may appeal the decision to a panel of three reviewing examiners designated by the chair of the board or by the chair's designee. The sanction shall be reversed or modified if a majority of the panel finds that the sanction was not reasonably related to any of the following: (i) The crime of conviction; (ii) the violation committed; (iii) the offender's risk of reoffending; or (iv) the safety of the community.

(5) For purposes of this section, no finding of a violation of conditions may be based on unconfirmed or unconfirmable allegations.

NEW SECTION. Sec. 310. A new section is added to chapter 9.95 RCW to read as follows:

In the event the board suspends release status of an offender released under section 306 of this act by reason of an alleged violation of a condition of release, or pending disposition of a new criminal charge, the board may nullify the suspension order and reinstate release under previous conditions or any new conditions the board determines advisable. Before the board may nullify a suspension order and reinstate release, it shall determine that the best interests of

society and the offender shall be served by such reinstatement rather than return to confinement.

Sec. 311. RCW 9.94A.060 and 1996 c 232 s 3 are each amended to read as follows:

(1) The commission consists of twenty voting members, one of whom the governor shall designate as chairperson. With the exception of ex officio voting members, the voting members of the commission shall be appointed by the governor, subject to confirmation by the senate.

(2) The voting membership consists of the following:

(a) The head of the state agency having general responsibility for adult correction programs, as an ex officio member;

(b) The director of financial management or designee, as an ex officio member;

(c) ~~((Until the indeterminate sentence review board ceases to exist pursuant to RCW 9.95.001+;))~~ The chair of the indeterminate sentence review board, as an ex officio member;

(d) The head of the state agency, or the agency head's designee, having responsibility for juvenile corrections programs, as an ex officio member;

(e) Two prosecuting attorneys;

(f) Two attorneys with particular expertise in defense work;

(g) Four persons who are superior court judges;

(h) One person who is the chief law enforcement officer of a county or city;

(i) Four members of the public who are not prosecutors, defense attorneys, judges, or law enforcement officers, one of whom is a victim of crime or a crime victims' advocate;

(j) One person who is an elected official of a county government, other than a prosecuting attorney or sheriff;

(k) One person who is an elected official of a city government;

(l) One person who is an administrator of juvenile court services.

In making the appointments, the governor shall endeavor to assure that the commission membership includes adequate representation and expertise relating to both the adult criminal justice system and the juvenile justice system. In making the appointments, the governor shall seek the recommendations of Washington prosecutors in respect to the prosecuting attorney members, of the Washington state bar association in respect to the defense attorney members, of the association of superior court judges in respect to the members who are judges, of the Washington association of sheriffs and police chiefs in respect to the member who is a law enforcement officer, of the Washington state association of counties in respect to the member who is a county official, of the association of Washington cities in respect to the member who is a city official, of the office of crime victims advocacy and other organizations of crime victims in respect to the member who is a victim of crime or a crime victims' advocate, and of the Washington association of juvenile court administrators in respect to the member who is an administrator of juvenile court services.

(3)(a) All voting members of the commission, except ex officio voting members, shall serve terms of three years and until their successors are appointed and confirmed.

(b) The governor shall stagger the terms of the members appointed under subsection (2)(j), (k), and (l) of this section by appointing one of them for a term of one year, one for a term of two years, and one for a term of three years.

(4) The speaker of the house of representatives and the president of the senate may each appoint two nonvoting members to the commission, one from each of the two largest caucuses in each house. The members so appointed shall serve two-year terms, or until they cease to be members of the house from which they were appointed, whichever occurs first.

(5) The members of the commission shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060. Legislative members shall be reimbursed by their respective houses as provided under RCW 44.04.120(~~(, as now existing or hereafter amended)~~). Members shall be compensated in accordance with RCW 43.03.250.

Sec. 312. RCW 9.94A.120 and 2001 c 10 s 2 are each amended to read as follows:

(1) When a person is convicted of a felony, the court shall impose punishment as provided in this chapter.

(2)(a) The court shall impose a sentence as provided in the following sections and as applicable in the case:

(i) Unless another term of confinement applies, the court shall impose a sentence within the standard sentence range established in RCW 9.94A.310;

(ii) RCW 9.94A.700 and 9.94A.705, relating to community placement;

(iii) RCW 9.94A.710 and 9.94A.715, relating to community custody;

(iv) RCW 9.94A.383, relating to community custody for offenders whose term of confinement is one year or less;

(v) RCW 9.94A.560, relating to persistent offenders;

(vi) RCW 9.94A.590, relating to mandatory minimum terms;

(vii) RCW 9.94A.650, relating to the first-time offender waiver;

(viii) RCW 9.94A.660, relating to the drug offender sentencing alternative;

(ix) RCW 9.94A.670, relating to the special sex offender sentencing alternative;

(x) Section 303 of this act, relating to certain sex offenses;

(xi) RCW 9.94A.390, relating to exceptional sentences;

~~((x+))~~ (xii) RCW 9.94A.400, relating to consecutive and concurrent sentences.

(b) If a standard sentence range has not been established for the offender's crime, the court shall impose a determinate sentence which may include not more than one year of confinement; community service work; until July 1, 2000, a term of community supervision not to exceed one year and on and after July 1, 2000, a term of community custody not to exceed one year, subject to conditions and sanctions as authorized in RCW 9.94A.710 (2) and (3); and/or other legal

financial obligations. The court may impose a sentence which provides more than one year of confinement if the court finds reasons justifying an exceptional sentence as provided in RCW 9.94A.390.

(3) If the court imposes a sentence requiring confinement of thirty days or less, the court may, in its discretion, specify that the sentence be served on consecutive or intermittent days. A sentence requiring more than thirty days of confinement shall be served on consecutive days. Local jail administrators may schedule court-ordered intermittent sentences as space permits.

(4) If a sentence imposed includes payment of a legal financial obligation, it shall be imposed as provided in RCW 9.94A.140, 9.94A.142, and 9.94A.145.

(5) Except as provided under RCW 9.94A.140(4) and 9.94A.142(4), a court may not impose a sentence providing for a term of confinement or community supervision, community placement, or community custody which exceeds the statutory maximum for the crime as provided in chapter 9A.20 RCW.

(6) The sentencing court shall give the offender credit for all confinement time served before the sentencing if that confinement was solely in regard to the offense for which the offender is being sentenced.

(7) The court shall order restitution as provided in RCW 9.94A.140 and 9.94A.142.

(8) As a part of any sentence, the court may impose and enforce crime-related prohibitions and affirmative conditions as provided in this chapter.

(9) The court may order an offender whose sentence includes community placement or community supervision to undergo a mental status evaluation and to participate in available outpatient mental health treatment, if the court finds that reasonable grounds exist to believe that the offender is a mentally ill person as defined in RCW 71.24.025, and that this condition is likely to have influenced the offense. An order requiring mental status evaluation or treatment must be based on a presentence report and, if applicable, mental status evaluations that have been filed with the court to determine the offender's competency or eligibility for a defense of insanity. The court may order additional evaluations at a later date if deemed appropriate.

(10) In any sentence of partial confinement, the court may require the offender to serve the partial confinement in work release, in a program of bome detention, on work crew, or in a combined program of work crew and home detention.

(11) In sentencing an offender convicted of a crime of domestic violence, as defined in RCW 10.99.020, if the offender has a minor child, or if the victim of the offense for which the offender was convicted has a minor child, the court may, as part of any term of community supervision, community placement, or community custody, order the offender to participate in a domestic violence perpetrator program approved under RCW 26.50.150.

Sec. 313. RCW 9.94A.190 and 2000 c 28 s 4 are each amended to read as follows:

(1) A sentence that includes a term or terms of confinement totaling more than one year shall be served in a facility or institution operated, or utilized under contract, by the state. Except as provided in subsection (3) or (5) of this section, a sentence of not more than one year of confinement shall be served in a facility operated, licensed, or utilized under contract, by the county, or if home detention or work crew has been ordered by the court, in the residence of either the offender or a member of the offender's immediate family.

(2) If a county uses a state partial confinement facility for the partial confinement of a person sentenced to confinement for not more than one year, the county shall reimburse the state for the use of the facility as provided in this subsection. The office of financial management shall set the rate of reimbursement based upon the average per diem cost per offender in the facility. The office of financial management shall determine to what extent, if any, reimbursement shall be reduced or eliminated because of funds provided by the legislature to the department for the purpose of covering the cost of county use of state partial confinement facilities. The office of financial management shall reestablish reimbursement rates each even-numbered year.

(3) A person who is sentenced for a felony to a term of not more than one year, and who is committed or returned to incarceration in a state facility on another felony conviction, either under the indeterminate sentencing laws, chapter 9.95 RCW, or under this chapter shall serve all terms of confinement, including a sentence of not more than one year, in a facility or institution operated, or utilized under contract, by the state, consistent with the provisions of RCW 9.94A.400.

(4) Notwithstanding any other provision of this section, a sentence imposed pursuant to RCW 9.94A.660 which has a standard sentence range of over one year, regardless of length, shall be served in a facility or institution operated, or utilized under contract, by the state.

(5) Sentences imposed pursuant to section 303 of this act shall be served in a facility or institution operated, or utilized under contract, by the state.

Sec. 314. RCW 9.94A.390 and 2000 c 28 s 8 are each amended to read as follows:

The court may impose a sentence outside the standard sentence range for an offense if it finds, considering the purpose of this chapter, that there are substantial and compelling reasons justifying an exceptional sentence. Whenever a sentence outside the standard sentence range is imposed, the court shall set forth the reasons for its decision in written findings of fact and conclusions of law. A sentence outside the standard sentence range shall be a determinate sentence unless it is imposed on an offender sentenced under section 303 of this act. An exceptional sentence imposed on an offender sentenced under section 303 of this act shall be to a minimum term set by the court and a maximum term equal to the statutory maximum sentence for the offense of conviction under chapter 9A.20 RCW.

If the sentencing court finds that an exceptional sentence outside the standard sentence range should be imposed, the sentence is subject to review only as provided for in RCW 9.94A.210(4).

A departure from the standards in RCW 9.94A.400 (1) and (2) governing whether sentences are to be served consecutively or concurrently is an exceptional sentence subject to the limitations in this section, and may be appealed by the offender or the state as set forth in RCW 9.94A.210 (2) through (6).

The following are illustrative factors which the court may consider in the exercise of its discretion to impose an exceptional sentence. The following are illustrative only and are not intended to be exclusive reasons for exceptional sentences.

(1) Mitigating Circumstances

(a) To a significant degree, the victim was an initiator, willing participant, aggressor, or provoker of the incident.

(b) Before detection, the defendant compensated, or made a good faith effort to compensate, the victim of the criminal conduct for any damage or injury sustained.

(c) The defendant committed the crime under duress, coercion, threat, or compulsion insufficient to constitute a complete defense but which significantly affected his or her conduct.

(d) The defendant, with no apparent predisposition to do so, was induced by others to participate in the crime.

(e) The defendant's capacity to appreciate the wrongfulness of his or her conduct, or to conform his or her conduct to the requirements of the law, was significantly impaired. Voluntary use of drugs or alcohol is excluded.

(f) The offense was principally accomplished by another person and the defendant manifested extreme caution or sincere concern for the safety or well-being of the victim.

(g) The operation of the multiple offense policy of RCW 9.94A.400 results in a presumptive sentence that is clearly excessive in light of the purpose of this chapter, as expressed in RCW 9.94A.010.

(h) The defendant or the defendant's children suffered a continuing pattern of physical or sexual abuse by the victim of the offense and the offense is a response to that abuse.

(2) Aggravating Circumstances

(a) The defendant's conduct during the commission of the current offense manifested deliberate cruelty to the victim.

(b) The defendant knew or should have known that the victim of the current offense was particularly vulnerable or incapable of resistance due to extreme youth, advanced age, disability, or ill health.

(c) The current offense was a violent offense, and the defendant knew that the victim of the current offense was pregnant.

(d) The current offense was a major economic offense or series of offenses, so identified by a consideration of any of the following factors:

(i) The current offense involved multiple victims or multiple incidents per victim;

(ii) The current offense involved attempted or actual monetary loss substantially greater than typical for the offense;

(iii) The current offense involved a high degree of sophistication or planning or occurred over a lengthy period of time; or

(iv) The defendant used his or her position of trust, confidence, or fiduciary responsibility to facilitate the commission of the current offense.

(e) The current offense was a major violation of the Uniform Controlled Substances Act, chapter 69.50 RCW (VUCSA), related to trafficking in controlled substances, which was more onerous than the typical offense of its statutory definition: The presence of ANY of the following may identify a current offense as a major VUCSA:

(i) The current offense involved at least three separate transactions in which controlled substances were sold, transferred, or possessed with intent to do so;

(ii) The current offense involved an attempted or actual sale or transfer of controlled substances in quantities substantially larger than for personal use;

(iii) The current offense involved the manufacture of controlled substances for use by other parties;

(iv) The circumstances of the current offense reveal the offender to have occupied a high position in the drug distribution hierarchy;

(v) The current offense involved a high degree of sophistication or planning, occurred over a lengthy period of time, or involved a broad geographic area of disbursement; or

(vi) The offender used his or her position or status to facilitate the commission of the current offense, including positions of trust, confidence or fiduciary responsibility (e.g., pharmacist, physician, or other medical professional).

(f) The current offense included a finding of sexual motivation pursuant to RCW 9.94A.127.

(g) The offense was part of an ongoing pattern of sexual abuse of the same victim under the age of eighteen years manifested by multiple incidents over a prolonged period of time.

(h) The current offense involved domestic violence, as defined in RCW 10.99.020, and one or more of the following was present:

(i) The offense was part of an ongoing pattern of psychological, physical, or sexual abuse of the victim manifested by multiple incidents over a prolonged period of time;

(ii) The offense occurred within sight or sound of the victim's or the offender's minor children under the age of eighteen years; or

(iii) The offender's conduct during the commission of the current offense manifested deliberate cruelty or intimidation of the victim.

(i) The operation of the multiple offense policy of RCW 9.94A.400 results in a presumptive sentence that is clearly too lenient in light of the purpose of this chapter, as expressed in RCW 9.94A.010.

(j) The defendant's prior unscored misdemeanor or prior unscored foreign criminal history results in a presumptive sentence that is clearly too lenient in light of the purpose of this chapter, as expressed in RCW 9.94A.010.

(k) The offense resulted in the pregnancy of a child victim of rape.

(l) The defendant knew that the victim of the current offense was a youth who was not residing with a legal custodian and the defendant established or promoted the relationship for the primary purpose of victimization.

Sec. 315. RCW 9.94A.590 and 2000 c 28 s 7 are each amended to read as follows:

(1) The following minimum terms of total confinement are mandatory and shall not be varied or modified under RCW 9.94A.390:

(a) An offender convicted of the crime of murder in the first degree shall be sentenced to a term of total confinement not less than twenty years.

(b) An offender convicted of the crime of assault in the first degree or assault of a child in the first degree where the offender used force or means likely to result in death or intended to kill the victim shall be sentenced to a term of total confinement not less than five years.

(c) An offender convicted of the crime of rape in the first degree shall be sentenced to a term of total confinement not less than five years.

(d) An offender convicted of the crime of sexually violent predator escape shall be sentenced to a minimum term of total confinement not less than sixty months.

(2) During such minimum terms of total confinement, no offender subject to the provisions of this section is eligible for community custody, earned release time, furlough, home detention, partial confinement, work crew, work release, or any other form of early release authorized under RCW 9.94A.150, or any other form of authorized leave of absence from the correctional facility while not in the direct custody of a corrections officer. The provisions of this subsection shall not apply: (a) In the case of an offender in need of emergency medical treatment; (b) for the purpose of commitment to an inpatient treatment facility in the case of an offender convicted of the crime of rape in the first degree; or (c) for an extraordinary medical placement when authorized under RCW 9.94A.150(4).

Sec. 316. RCW 9.94A.670 and 2000 c 28 s 20 are each amended to read as follows:

(1) Unless the context clearly requires otherwise, the definitions in this subsection apply to this section only.

(a) "Sex offender treatment provider" or "treatment provider" means a certified sex offender treatment provider as defined in RCW 18.155.020.

(b) "Victim" means any person who has sustained emotional, psychological, physical, or financial injury to person or property as a result of the crime charged. "Victim" also means a parent or guardian of a victim who is a minor child unless the parent or guardian is the perpetrator of the offense.

(2) An offender is eligible for the special sex offender sentencing alternative if:

(a) The offender has been convicted of a sex offense other than a violation of RCW 9A.44.050 or a sex offense that is also a serious violent offense;

(b) The offender has no prior convictions for a sex offense as defined in RCW 9.94A.030 or any other felony sex offenses in this or any other state; and

(c) The offender's standard sentence range for the offense includes the possibility of confinement for less than eleven years.

(3) If the court finds the offender is eligible for this alternative, the court, on its own motion or the motion of the state or the offender, may order an examination to determine whether the offender is amenable to treatment.

(a) The report of the examination shall include at a minimum the following:

(i) The offender's version of the facts and the official version of the facts;

(ii) The offender's offense history;

(iii) An assessment of problems in addition to alleged deviant behaviors;

(iv) The offender's social and employment situation; and

(v) Other evaluation measures used.

The report shall set forth the sources of the examiner's information.

(b) The examiner shall assess and report regarding the offender's amenability to treatment and relative risk to the community. A proposed treatment plan shall be provided and shall include, at a minimum:

(i) Frequency and type of contact between offender and therapist;

(ii) Specific issues to be addressed in the treatment and description of planned treatment modalities;

(iii) Monitoring plans, including any requirements regarding living conditions, lifestyle requirements, and monitoring by family members and others;

(iv) Anticipated length of treatment; and

(v) Recommended crime-related prohibitions.

(c) The court on its own motion may order, or on a motion by the state shall order, a second examination regarding the offender's amenability to treatment. The examiner shall be selected by the party making the motion. The offender shall pay the cost of any second examination ordered unless the court finds the defendant to be indigent in which case the state shall pay the cost.

(4) After receipt of the reports, the court shall consider whether the offender and the community will benefit from use of this alternative and consider the victim's opinion whether the offender should receive a treatment disposition under this section. If the court determines that this alternative is appropriate, the court shall then impose a sentence or, pursuant to section 303 of this act, a minimum term of sentence, within the standard sentence range. If the sentence imposed is less ~~((then [than]))~~ than eleven years of confinement, the court may suspend the execution of the sentence and impose the following conditions of suspension:

(a) The court shall place the offender on community custody for the length of the suspended sentence, the length of the maximum term imposed pursuant to section 303 of this act, or three years, whichever is greater, and require the

offender to comply with any conditions imposed by the department under RCW 9.94A.720.

(b) The court shall order treatment for any period up to three years in duration. The court, in its discretion, shall order outpatient sex offender treatment or inpatient sex offender treatment, if available. A community mental health center may not be used for such treatment unless it has an appropriate program designed for sex offender treatment. The offender shall not change sex offender treatment providers or treatment conditions without first notifying the prosecutor, the community corrections officer, and the court. If any party or the court objects to a proposed change, the offender shall not change providers or conditions without court approval after a hearing.

(5) As conditions of the suspended sentence, the court may impose one or more of the following:

(a) Up to six months of confinement, not to exceed the sentence range of confinement for that offense;

(b) Crime-related prohibitions;

(c) Require the offender to devote time to a specific employment or occupation;

(d) Remain within prescribed geographical boundaries and notify the court or the community corrections officer prior to any change in the offender's address or employment;

(e) Report as directed to the court and a community corrections officer;

(f) Pay all court-ordered legal financial obligations as provided in RCW 9.94A.030;

(g) Perform community service work; or

(h) Reimburse the victim for the cost of any counseling required as a result of the offender's crime.

(6) At the time of sentencing, the court shall set a treatment termination hearing for three months prior to the anticipated date for completion of treatment.

(7) The sex offender treatment provider shall submit quarterly reports on the offender's progress in treatment to the court and the parties. The report shall reference the treatment plan and include at a minimum the following: Dates of attendance, offender's compliance with requirements, treatment activities, the offender's relative progress in treatment, and any other material specified by the court at sentencing.

(8) Prior to the treatment termination hearing, the treatment provider and community corrections officer shall submit written reports to the court and parties regarding the offender's compliance with treatment and monitoring requirements, and recommendations regarding termination from treatment, including proposed community custody conditions. Either party may request, and the court may order, another evaluation regarding the advisability of termination from treatment. The offender shall pay the cost of any additional evaluation ordered unless the court finds the offender to be indigent in which case the state shall pay the cost. At the treatment termination hearing the court may: (a) Modify conditions of community

custody, and either (b) terminate treatment, or (c) extend treatment for up to the remaining period of community custody.

(9) If a violation of conditions occurs during community custody, the department shall either impose sanctions as provided for in RCW 9.94A.205(2)(a) or refer the violation to the court and recommend revocation of the suspended sentence as provided for in subsections (6) and (8) of this section.

(10) The court may revoke the suspended sentence at any time during the period of community custody and order execution of the sentence if: (a) The offender violates the conditions of the suspended sentence, or (b) the court finds that the offender is failing to make satisfactory progress in treatment. All confinement time served during the period of community custody shall be credited to the offender if the suspended sentence is revoked.

(11) Examinations and treatment ordered pursuant to this subsection shall only be conducted by sex offender treatment providers certified by the department of health pursuant to chapter 18.155 RCW unless the court finds that:

(a) The offender has already moved to another state or plans to move to another state for reasons other than circumventing the certification requirements; or

(b)(i) No certified providers are available for treatment within a reasonable geographical distance of the offender's home; and

(ii) The evaluation and treatment plan comply with this section and the rules adopted by the department of health.

(12) If the offender is less than eighteen years of age when the charge is filed, the state shall pay for the cost of initial evaluation and treatment.

NEW SECTION. Sec. 317. A new section is added to chapter 9.95 RCW to read as follows:

(1) "Board" means the indeterminate sentence review board.

(2) "Community custody" means that portion of an offender's sentence subject to controls including crime-related prohibitions and affirmative conditions from the court, the board, or the department of corrections based on risk to community safety, that is served under supervision in the community, and which may be modified or revoked for violations of release conditions.

(3) "Crime-related prohibition" has the meaning defined in RCW 9.94A.030.

(4) "Department" means the department of corrections.

(5) "Parole" means that portion of a person's sentence for a crime committed before July 1, 1984, served on conditional release in the community subject to board controls and revocation and under supervision of the department.

(6) "Secretary" means the secretary of the department of corrections or his or her designee.

Sec. 318. RCW 9.95.005 and 1986 c 224 s 4 are each amended to read as follows:

The board shall meet at ~~((the penitentiary and the reformatory))~~ major state correctional institutions at such times as may be necessary for a full and complete

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study of the cases of all convicted persons whose durations of confinement are to be determined by it ~~((or))~~; whose community custody supervision is under the board's authority; or whose applications for parole come before it. Other times and places of meetings may also be fixed by the board.

The superintendents of the different institutions shall provide suitable quarters for the board and assistants while in the discharge of their duties.

Sec. 319. RCW 9.95.010 and 1955 c 133 s 2 are each amended to read as follows:

When a person, whose crime was committed before July 1, 1984, is convicted of any felony, except treason, murder in the first degree, or carnal knowledge of a child under ten years, and a new trial is not granted, the court shall sentence such person to the penitentiary, or, if the law allows and the court sees fit to exercise such discretion, to the reformatory, and shall fix the maximum term of such person's sentence only.

The maximum term to be fixed by the court shall be the maximum provided by law for the crime of which such person was convicted, if the law provides for a maximum term. If the law does not provide a maximum term for the crime of which such person was convicted the court shall fix such maximum term, which may be for any number of years up to and including life imprisonment but in any case where the maximum term is fixed by the court it shall be fixed at not less than twenty years.

Sec. 320. RCW 9.95.011 and 1993 c 144 s 3 are each amended to read as follows:

(1) When the court commits a convicted person to the department of corrections on or after July 1, 1986, for an offense committed before July 1, 1984, the court shall, at the time of sentencing or revocation of probation, fix the minimum term. The term so fixed shall not exceed the maximum sentence provided by law for the offense of which the person is convicted.

The court shall attempt to set the minimum term reasonably consistent with the purposes, standards, and sentencing ranges adopted under RCW 9.94A.040, but the court is subject to the same limitations as those placed on the board under RCW 9.92.090, 9.95.040 (1) through (4), 9.95.115, 9A.32.040, 9A.44.045, and chapter 69.50 RCW. The court's minimum term decision is subject to review to the same extent as a minimum term decision by the parole board before July 1, 1986.

Thereafter, the expiration of the minimum term set by the court minus any time credits earned under RCW 9.95.070 and 9.95.110 constitutes the parole eligibility review date, at which time the board may consider the convicted person for parole under RCW 9.95.100 and 9.95.110 and chapter 72.04A RCW. Nothing in this section affects the board's authority to reduce or increase the minimum term, once set by the court, under RCW 9.95.040, 9.95.052, 9.95.055, 9.95.070, 9.95.080, 9.95.100, 9.95.115, 9.95.125, or 9.95.047.

(2) Not less than ninety days prior to the expiration of the minimum term of a person sentenced under section 303 of this act, for a sex offense committed on or after July 1, 2001, less any time credits permitted by statute, the board shall review the person for conditional release to community custody as provided in section 306 of this act. If the board does not release the person, it shall set a new minimum term not to exceed an additional two years. The board shall review the person again not less than ninety days prior to the expiration of the new minimum term.

Sec. 321. RCW 9.95.017 and 1986 c 224 s 11 are each amended to read as follows:

(1) The board shall cause to be prepared criteria for duration of confinement, release on parole, and length of parole for persons committed to prison for crimes committed before July 1, 1984.

The proposed criteria should take into consideration RCW 9.95.009(2). Before submission to the governor, the board shall solicit comments and review on their proposed criteria for parole release. These proposed criteria shall be submitted for consideration by the 1987 legislature.

(2) Persons committed to the department of corrections and who are under the authority of the board for crimes committed on or after July 1, 2001, are subject to the provisions for duration of confinement, release to community custody, and length of community custody established in sections 303 through 310 of this act.

Sec. 322. RCW 9.95.020 and 1955 c 133 s 3 are each amended to read as follows:

If the sentence of a person so convicted is not suspended by the court, the superintendent of ~~((the penitentiary or the superintendent of the reformatory))~~ a major state correctional institution shall receive such person, if committed to his or her institution, and imprison ~~((him))~~ the person until released under the provisions of this chapter, under section 306 of this act, upon the completion of the statutory maximum sentence, or through the action of the governor.

Sec. 323. RCW 9.95.032 and 1984 c 114 s 3 are each amended to read as follows:

Such statement shall be signed by the prosecuting attorney and approved by the judge by whom the judgment was rendered and shall be delivered to the sheriff, traveling guard, department of corrections personnel, or other officer executing the sentence, and a copy of such statement shall be furnished to the defendant or his or her attorney. Such officer shall deliver the statement, at the time of the prisoner's commitment, to the superintendent of the institution to which such prisoner has been ~~((sentenced and))~~ committed. The superintendent shall make such statement available for use by the board ~~((of prison terms and paroles))~~.

Sec. 324. RCW 9.95.052 and 1986 c 224 s 10 are each amended to read as follows:

At any time after the board (or the court after July 1, 1986) has determined the minimum term of confinement of any person subject to confinement in a state correctional institution for a crime committed before July 1, 1984, the board may request the superintendent of such correctional institution to conduct a full review of such person's prospects for rehabilitation and report to the board the facts of such review and the resulting findings. Upon the basis of such report and such other information and investigation that the board deems appropriate, the board may redetermine and refix such convicted person's minimum term of confinement whether the term was set by the board or the court.

The board shall not reduce a person's minimum term of confinement unless the board has received from the department of corrections all institutional conduct reports relating to the person.

Sec. 325. RCW 9.95.055 and 1992 c 7 s 25 are each amended to read as follows:

The indeterminate sentence review board is hereby granted authority, in the event of a declaration by the governor that a war emergency exists, including a general mobilization, and for the duration thereof only, to reduce downward the minimum term, as set by the board, of any inmate under the jurisdiction of the board confined in a state correctional facility, who will be accepted by and inducted into the armed services: PROVIDED, That a reduction downward shall not be made under this section for those inmates who are confined for treason, murder in the first degree or carnal knowledge of a female child under ten years: AND PROVIDED FURTHER, That no such inmate shall be released under this section who is ~~((found to be a sexual psychopath under the provisions of and as defined by chapter 71.12 RCW))~~ being considered for civil commitment as a sexually violent predator under chapter 71.09 RCW or was sentenced under section 303 of this act for a crime committed on or after July 1, 2001.

Sec. 326. RCW 9.95.064 and 1989 c 276 s 4 are each amended to read as follows:

(1) In order to minimize the trauma to the victim, the court may attach conditions on release of ~~((a defendant))~~ an offender under RCW 9.95.062, convicted of a crime committed before July 1, 1984, regarding the whereabouts of the defendant, contact with the victim, or other conditions.

(2) Offenders released under section 306 of this act are subject to crime-related prohibitions and affirmative conditions established by the court, the department of corrections, or the board pursuant to RCW 9.94A.715 and sections 303 through 310 of this act.

Sec. 327. RCW 9.95.070 and 1999 c 143 s 19 are each amended to read as follows:

(1) Every prisoner, convicted of a crime committed before July 1, 1984, who has a favorable record of conduct at the penitentiary or the reformatory, and who performs in a faithful, diligent, industrious, orderly and peaceable manner the work, duties, and tasks assigned to him or her to the satisfaction of the

superintendent of the penitentiary or reformatory, and in whose behalf the superintendent of the penitentiary or reformatory files a report certifying that his or her conduct and work have been meritorious and recommending allowance of time credits to him or her, shall upon, but not until, the adoption of such recommendation by the indeterminate sentence review board, be allowed time credit reductions from the term of imprisonment fixed by the board.

(2) Offenders sentenced under section 303 of this act for a crime committed on or after July 1, 2001, are subject to the earned release provisions for sex offenders established in RCW 9.94A.150.

Sec. 328. RCW 9.95.080 and 1992 c 7 s 26 are each amended to read as follows:

In case any (~~convicted~~) person convicted of a crime committed before July 1, 1984, and under the jurisdiction of the indeterminate sentence review board undergoing sentence in a state correctional (~~facility~~) institution commits any infractions of the rules and regulations of the institution, the board may revoke any order theretofore made determining the length of time such convicted person shall be imprisoned, including the forfeiture of all or a portion of credits earned or to be earned, pursuant to the provisions of RCW 9.95.110, and make a new order determining the length of time the person shall serve, not exceeding the maximum penalty provided by law for the crime for which the person was convicted, or the maximum fixed by the court. Such revocation and redetermination shall not be had except upon a hearing before the indeterminate sentence review board. At such hearing the convicted person shall be present and entitled to be heard and may present evidence and witnesses in his or her behalf.

Sec. 329. RCW 9.95.090 and 1999 c 143 s 20 are each amended to read as follows:

(1) The board shall require of every able bodied (~~convicted person imprisoned in the penitentiary or the reformatory~~) offender confined in a state correctional institution for a crime committed before July 1, 1984, as many hours of faithful labor in each and every day during his or her term of imprisonment as shall be prescribed by the rules and regulations of the institution in which he or she is confined.

(2) Offenders sentenced under section 303 of this act for crimes committed on or after July 1, 2001, shall perform work or other programming as required by the department of corrections during their term of confinement.

Sec. 330. RCW 9.95.100 and 1955 c 133 s 11 are each amended to read as follows:

Any (~~convicted~~) person convicted of a felony committed before July 1, 1984, and undergoing sentence in (~~the penitentiary or the reformatory~~) a state correctional institution, not sooner released under the provisions of this chapter, shall, in accordance with the provisions of law, be discharged from custody on serving the maximum punishment provided by law for the offense of which such person was convicted, or the maximum term fixed by the court where the law does

not provide for a maximum term. The board shall not, however, until his or her maximum term expires, release a prisoner, unless in its opinion his or her rehabilitation has been complete and he or she is a fit subject for release.

Sec. 331. RCW 9.95.110 and 1999 c 143 s 21 are each amended to read as follows:

(1) The board may permit (~~(a convicted person)~~) an offender convicted of a crime committed before July 1, 1984, to leave the buildings and enclosures of (~~(the penitentiary or the reformatory)~~) a state correctional institution on parole, after such convicted person has served the period of confinement fixed for him or her by the board, less time credits for good behavior and diligence in work: PROVIDED, That in no case shall an inmate be credited with more than one-third of his or her sentence as fixed by the board.

The board may establish rules and regulations under which (~~(a convicted person)~~) an offender may be allowed to leave the confines of (~~(the penitentiary or the reformatory)~~) a state correctional institution on parole, and may return such person to the confines of the institution from which he or she was paroled, at its discretion.

(2) The board may permit an offender convicted of a crime committed on or after July 1, 2001, and sentenced under section 303 of this act, to leave a state correctional institution on community custody according to the provisions of sections 303 through 310 of this act. The person may be returned to the institution following a violation of his or her conditions of release to community custody pursuant to the hearing provisions of section 309 of this act.

Sec. 332. RCW 9.95.115 and 1989 c 259 s 3 are each amended to read as follows:

The indeterminate sentence review board is hereby granted authority to parole any person sentenced to the custody of the department of corrections, under a mandatory life sentence for a crime committed (~~(prior to)~~) before July 1, 1984, except those persons sentenced to life without the possibility of parole. No such person shall be granted parole unless the person has been continuously confined therein for a period of twenty consecutive years less earned good time: PROVIDED, That no such person shall be released under parole who is (~~(found to be a sexual psychopath under the provisions of and as defined by chapter 71.06 RCW)~~) subject to civil commitment as a sexually violent predator under chapter 71.09 RCW.

Sec. 333. RCW 9.95.120 and 1999 c 143 s 22 are each amended to read as follows:

Whenever the board or a (~~(probation and parole)~~) community corrections officer of this state has reason to believe a (~~(convicted)~~) person convicted of a crime committed before July 1, 1984, has breached a condition of his or her parole or violated the law of any state where he or she may then be or the rules and regulations of the board, any (~~(probation and parole)~~) community corrections officer of this state may arrest or cause the arrest and detention and suspension of

parole of such convicted person pending a determination by the board whether the parole of such convicted person shall be revoked. All facts and circumstances surrounding the violation by such convicted person shall be reported to the board by the ~~((probation and parole))~~ community corrections officer, with recommendations. The board, after consultation with the secretary of corrections, shall make all rules and regulations concerning procedural matters, which shall include the time when state ~~((probation and parole))~~ community corrections officers shall file with the board reports required by this section, procedures pertaining thereto and the filing of such information as may be necessary to enable the board to perform its functions under this section. On the basis of the report by the ~~((probation and parole))~~ community corrections officer, or at any time upon its own discretion, the board may revise or modify the conditions of parole or order the suspension of parole by the issuance of a written order bearing its seal, which order shall be sufficient warrant for all peace officers to take into custody any convicted person who may be on parole and retain such person in their custody until arrangements can be made by the board for his or her return to a state correctional institution for convicted felons. Any such revision or modification of the conditions of parole or the order suspending parole shall be personally served upon the parolee.

Any parolee arrested and detained in physical custody by the authority of a state ~~((probation and parole))~~ community corrections officer, or upon the written order of the board, shall not be released from custody on bail or personal recognizance, except upon approval of the board and the issuance by the board of an order of reinstatement on parole on the same or modified conditions of parole.

All chiefs of police, marshals of cities and towns, sheriffs of counties, and all police, prison, and peace officers and constables shall execute any such order in the same manner as any ordinary criminal process.

Whenever a paroled prisoner is accused of a violation of his or her parole, other than the commission of, and conviction for, a felony or misdemeanor under the laws of this state or the laws of any state where he or she may then be, he or she shall be entitled to a fair and impartial hearing of such charges within thirty days from the time that he or she is served with charges of the violation of conditions of ~~((his))~~ parole after his or her arrest and detention. The hearing shall be held before one or more members of the board at a place or places, within this state, reasonably near the site of the alleged violation or violations of parole.

In the event that the board suspends a parole by reason of an alleged parole violation or in the event that a parole is suspended pending the disposition of a new criminal charge, the board shall have the power to nullify the order of suspension and reinstate the individual to parole under previous conditions or any new conditions that the board may determine advisable. Before the board shall nullify an order of suspension and reinstate a parole they shall have determined that the best interests of society and the individual shall best be served by such reinstatement rather than a return to a penal institution.

Sec. 334. RCW 9.95.121 and 1981 c 136 s 38 are each amended to read as follows:

(1) For offenders convicted of crimes committed before July 1, 1984, within fifteen days from the date of notice to the department of corrections of the arrest and detention of the alleged parole violator, he or she shall be personally served by a state ((probation and parole)) community corrections officer with a copy of the factual allegations of the violation of the conditions of parole, and, at the same time shall be advised of his or her right to an on-site parole revocation hearing and of his or her rights and privileges as provided in RCW 9.95.120 through 9.95.126. The alleged parole violator, after service of the allegations of violations of the conditions of parole and the advice of rights may waive the on-site parole revocation hearing as provided in RCW 9.95.120, and admit one or more of the alleged violations of the conditions of parole. If the board accepts the waiver it shall either, (1) reinstate the parolee on parole under the same or modified conditions, or (2) revoke the parole of the parolee and enter an order of parole revocation and return to state custody. A determination of a new minimum sentence shall be made within thirty days of return to state custody which shall not exceed the maximum sentence as provided by law for the crime of which the parolee was originally convicted or the maximum fixed by the court.

If the waiver made by the parolee is rejected by the board it shall hold an on-site parole revocation hearing under the provisions of RCW 9.95.120 through 9.95.126.

(2) Offenders sentenced under section 303 of this act are subject to the violation hearing process established in section 309 of this act.

Sec. 335. RCW 9.95.122 and 1999 c 143 s 23 are each amended to read as follows:

(1) At any on-site parole revocation hearing for a person convicted of a crime committed before July 1, 1984, the alleged parole violator shall be entitled to be represented by an attorney of his or her own choosing and at his or her own expense, except, upon the presentation of satisfactory evidence of indigency and the request for the appointment of an attorney by the alleged parole violator, the board may cause the appointment of an attorney to represent the alleged parole violator to be paid for at state expense, and, in addition, the board may assume all or such other expenses in the presentation of evidence on behalf of the alleged parole violator as it may have authorized: PROVIDED, That funds are available for the payment of attorneys' fees and expenses. Attorneys for the representation of alleged parole violators in on-site hearings shall be appointed by the superior courts for the counties wherein the on-site parole revocation hearing is to be held and such attorneys shall be compensated in such manner and in such amount as shall be fixed in a schedule of fees adopted by rule of the board.

(2) The rights of offenders sentenced under section 303 of this act are defined in section 309 of this act.

Sec. 336. RCW 9.95.123 and 1999 c 143 s 24 are each amended to read as follows:

In conducting on-site parole or community custody revocation hearings or community custody violations hearings, the board shall have the authority to administer oaths and affirmations, examine witnesses, receive evidence, and issue subpoenas for the compulsory attendance of witnesses and the production of evidence for presentation at such hearings. Subpoenas issued by the board shall be effective throughout the state. Witnesses in attendance at any on-site parole or community custody revocation hearing shall be paid the same fees and allowances, in the same manner and under the same conditions as provided for witnesses in the courts of the state in accordance with chapter 2.40 RCW (~~as now or hereafter amended~~). If any person fails or refuses to obey a subpoena issued by the board, or obeys the subpoena but refuses to testify concerning any matter under examination at the hearing, the board may petition the superior court of the county where the hearing is being conducted for enforcement of the subpoena: PROVIDED, That an offer to pay statutory fees and mileage has been made to the witness at the time of the service of the subpoena. The petition shall be accompanied by a copy of the subpoena and proof of service, and shall set forth in what specific manner the subpoena has not been complied with, and shall ask an order of the court to compel the witness to appear and testify before the board. The court, upon such petition, shall enter an order directing the witness to appear before the court at a time and place to be fixed in such order and then and there to show cause why he or she has not responded to the subpoena or has refused to testify. A copy of the order shall be served upon the witness. If it appears to the court that the subpoena was properly issued and that the particular questions which the witness refuses to answer are reasonable and relevant, the court shall enter an order that the witness appear at the time and place fixed in the order and testify or produce the required papers, and on failing to obey (~~said~~) the order, the witness shall be dealt with as for contempt of court.

Sec. 337. RCW 9.95.124 and 1999 c 143 s 25 are each amended to read as follows:

At all on-site parole revocation hearings for offenders convicted of crimes committed before July 1, 1984, the (~~probation and parole~~) community corrections officers of the department of corrections, having made the allegations of the violations of the conditions of parole, may be represented by the attorney general. The attorney general may make independent recommendations to the board about whether the violations constitute sufficient cause for the revocation of the parole and the return of the parolee to a state correctional institution for convicted felons. The hearings shall be open to the public unless the board for specifically stated reasons closes the hearing in whole or in part. The hearings shall be recorded either manually or by a mechanical recording device. An alleged parole violator may be requested to testify and any such testimony shall not be used against him or her in any criminal prosecution. The board shall adopt rules governing the formal and informal procedures authorized by this chapter and make rules of

practice before the board in on-site parole revocation hearings, together with forms and instructions.

Sec. 338. RCW 9.95.125 and 1993 c 140 s 2 are each amended to read as follows:

After the on-site parole revocation hearing for a person convicted of a crime committed before July 1, 1984, has been concluded, the members of the board having heard the matter shall enter their decision of record within ten days, and make findings and conclusions upon the allegations of the violations of the conditions of parole. If the member, or members having heard the matter, should conclude that the allegations of violation of the conditions of parole have not been proven by a preponderance of the evidence, or, those which have been proven by a preponderance of the evidence are not sufficient cause for the revocation of parole, then the parolee shall be reinstated on parole on the same or modified conditions of parole. For parole violations not resulting in new convictions, modified conditions of parole may include sanctions according to an administrative sanction grid. If the member or members having heard the matter should conclude that the allegations of violation of the conditions of parole have been proven by a preponderance of the evidence and constitute sufficient cause for the revocation of parole, then such member or members shall enter an order of parole revocation and return the parole violator to state custody. Within thirty days of the return of such parole violator to a state correctional institution (~~for convicted felons~~) the board shall enter an order determining a new minimum term not exceeding the maximum penalty provided by law for the crime for which the parole violator was originally convicted or the maximum fixed by the court.

Sec. 339. RCW 9.95.126 and 1969 c 98 s 8 are each amended to read as follows:

All officers and employees of the state, counties, cities and political subdivisions of this state shall cooperate with the board (~~of prison terms and paroles~~) in making available suitable facilities for conducting parole or community custody revocation hearings.

Sec. 340. RCW 9.95.130 and 1993 c 140 s 3 are each amended to read as follows:

From and after the suspension, cancellation, or revocation of the parole of any (~~convicted person~~) offender convicted of a crime committed before July 1, 1984, and until his or her return to custody the (~~convicted person~~) offender shall be deemed an escapee and a fugitive from justice. The indeterminate sentence review board may deny credit against the maximum sentence any time during which he or she is an escapee and fugitive from justice.

Sec. 341. RCW 9.95.140 and 1992 c 7 s 27 are each amended to read as follows:

(1) The (~~indeterminate sentence review~~) board shall cause a complete record to be kept of every prisoner under the jurisdiction of the board released on parole or community custody. Such records shall be organized in accordance with the

most modern methods of filing and indexing so that there will be always immediately available complete information about each such prisoner. Subject to information sharing provisions related to mentally ill offenders, the end of sentence review committee, and the department of corrections, the board may make rules as to the privacy of such records and their use by others than the board and its staff. ~~((In determining the rules regarding dissemination of information regarding convicted))~~ Sex offenders convicted of crimes committed before July 1, 1984, who are under the board's jurisdiction((-)) shall be subject to the determinations of the end of sentence review committee regarding risk level and subject to sex offender registration and community notification. The board ~~((shall consider the provisions of section 116, chapter 3, Laws of 1990 and RCW 4.24.550 and))~~ shall be immune from liability for the release of information concerning sex offenders as provided in RCW 4.24.550.

The superintendents of state correctional facilities and all officers and employees thereof and all other public officials shall at all times cooperate with the board and furnish to the board, its officers, and employees such information as may be necessary to enable it to perform its functions, and such superintendents and other employees shall at all times give the members of the board, its officers, and employees free access to all prisoners confined in the state correctional facilities.

(2) Offenders sentenced under section 303 of this act shall be subject to the determinations of the end of sentence review committee regarding risk level and subject to sex offender registration and community notification.

(3) The end of sentence review committee shall make law enforcement notifications for offenders under board jurisdiction on the same basis that it notifies law enforcement regarding offenders sentenced under chapter 9.94A RCW for crimes committed after July 1, 1984.

Sec. 342. RCW 9.95.190 and 1992 c 7 s 28 are each amended to read as follows:

The provisions of RCW 9.95.010 through 9.95.170, inclusive, shall apply to all convicted persons serving time in a state correctional facility for crimes committed before July 1, 1984, to the end that at all times the same provisions relating to sentences, imprisonments, and paroles of prisoners shall apply to all inmates thereof.

Sec. 343. RCW 9.95.250 and 1981 c 136 s 43 are each amended to read as follows:

In order to carry out the provisions of this chapter 9.95 RCW the parole officers working under the supervision of the secretary of corrections shall be known as ~~((probation and parole))~~ community corrections officers.

Sec. 344. RCW 9.95.280 and 1999 c 143 s 31 are each amended to read as follows:

The board may deputize any person (regularly employed by another state) to act as an officer and agent of this state in effecting the return of any person

convicted of a crime committed before July 1, 1984, who has violated the terms and conditions of parole or probation as granted by this state. In any matter relating to the return of such a person, any agent so deputized shall have all the powers of a police officer of this state.

Sec. 345. RCW 9.95.290 and 1955 c 183 s 2 are each amended to read as follows:

Any deputization pursuant to this statute with regard to an offender convicted of a crime committed before July 1, 1984, shall be in writing and any person authorized to act as an agent of this state pursuant hereto shall carry formal evidence of his or her deputization and shall produce the same upon demand.

Sec. 346. RCW 9.95.300 and 1999 c 143 s 32 are each amended to read as follows:

The board may enter into contracts with similar officials of any other state or states for the purpose of sharing an equitable portion of the cost of effecting the return of any person who has violated the terms and conditions of parole ((or)), probation, or community custody as granted by this state.

Sec. 347. RCW 9.95.310 and 1986 c 125 s 1 are each amended to read as follows:

The purpose of RCW 9.95.310 through 9.95.370 is to provide necessary assistance, other than assistance which is authorized to be provided under the vocational rehabilitation laws, Title 28A RCW, under the public assistance laws, Title 74 RCW or the ((department of)) employment security department or other state agency, for parolees, inmates assigned to work/training release facilities, discharged prisoners and persons convicted of a felony committed before July 1, 1984, and granted probation in need and whose capacity to earn a living under these circumstances is impaired; and to help such persons attain self-care and/or self-support for rehabilitation and restoration to independence as useful citizens as rapidly as possible thereby reducing the number of returnees to the institutions of this state to the benefit of such person and society as a whole.

Sec. 348. RCW 9.95.320 and 1986 c 125 s 2 are each amended to read as follows:

The secretary of corrections or his or her designee may provide to any parolee, inmate assigned to a work/training release facility, discharged prisoner and persons convicted of a felony committed before July 1, 1984, and granted probation in need and without necessary means, from any funds legally available therefor, such reasonable sums as he or she deems necessary for the subsistence of such person and his or her family until such person has become gainfully employed. Such aid may be made under such terms and conditions, and through local parole or probation officers if necessary, as the secretary of corrections or his or her designee may require and shall be supplementary to any moneys which may be provided under public assistance or from any other source.

Sec. 349. RCW 9.95.340 and 1986 c 125 s 3 are each amended to read as follows:

Any funds in the hands of the department of corrections, or which may come into its hands, which belong to discharged prisoners, inmates assigned to work/training release facilities, parolees or persons convicted of a felony and granted probation who absconded, or whose whereabouts are unknown, shall be deposited in the community services revolving fund. Said funds shall be used to defray the expenses of clothing and other necessities and for transporting discharged prisoners, inmates assigned to work/training release facilities, parolees and persons convicted of a felony and granted probation who are without means to secure the same. All payments disbursed from these funds shall be repaid, whenever possible, by discharged prisoners, inmates assigned to work/training release facilities, parolees and persons convicted of a felony and granted probation for whose benefit they are made. Whenever any money belonging to such persons is so paid into the revolving fund, it shall be repaid to them in accordance with law if a claim therefor is filed with the department of corrections within five years of deposit into said fund and upon a clear showing of a legal right of such claimant to such money. This section applies to persons convicted of a felony committed before July 1, 1984.

Sec. 350. RCW 9.95.350 and 1986 c 125 s 4 are each amended to read as follows:

All money or other property paid or delivered to a ~~((probation or parole))~~ community corrections officer or employee of the department of corrections by or for the benefit of any discharged prisoner, inmate assigned to a work/training release facility, parolee or persons convicted of a felony and granted probation shall be immediately transmitted to the department of corrections and it shall enter the same upon its books to his or her credit. Such money or other property shall be used only under the direction of the department of corrections.

If such person absconds, the money shall be deposited in the revolving fund created by RCW 9.95.360, and any other property, if not called for within one year, shall be sold by the department of corrections and the proceeds credited to the revolving fund.

If any person, files a claim within five years after the deposit or crediting of such funds, and satisfies the department of corrections that he or she is entitled thereto, the department may make a finding to that effect and may make payment to the claimant in the amount to which he or she is entitled.

This section applies to persons convicted of a felony committed before July 1, 1984.

Sec. 351. RCW 9.95.360 and 1986 c 125 s 5 are each amended to read as follows:

The department of corrections shall create, maintain, and administer outside the state treasury a permanent revolving fund to be known as the "community services revolving fund" into which shall be deposited all moneys received by it

under RCW 9.95.310 through 9.95.370 and any appropriation made for the purposes of RCW 9.95.310 through 9.95.370. All expenditures from this revolving fund shall be made by check or voucher signed by the secretary of corrections or his or her designee. The community services revolving fund shall be deposited by the department of corrections in such banks or financial institutions as it may select which shall give to the department a surety bond executed by a surety company authorized to do business in this state, or collateral eligible as security for deposit of state funds in at least the full amount of deposit.

This section applies to persons convicted of a felony committed before July 1, 1984.

Sec. 352. RCW 9.95.370 and 1981 c 136 s 50 are each amended to read as follows:

The secretary of corrections or his or her designee shall enter into a written agreement with every person receiving funds under RCW 9.95.310 through 9.95.370 that such person will repay such funds under the terms and conditions in said agreement. No person shall receive funds until such an agreement is validly made. This section applies to persons convicted of a felony committed before July 1, 1984.

Sec. 353. RCW 9.95.900 and 1981 c 137 s 32 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the following sections of law do not apply to any felony offense committed on or after July 1, 1984: RCW ((9.95.003, 9.95.005, 9.95.007;)) 9.95.010, 9.95.011, 9.95.013, 9.95.015, 9.95.017, 9.95.045, 9.95.047, 9.95.052, ((9.95.020, 9.95.030, 9.95.031, 9.95.032;)) 9.95.040, 9.95.045, 9.95.047, 9.95.052, ((9.95.070;)) 9.95.080, ((9.95.090;)) 9.95.100, ((9.95.110;)) 9.95.115, 9.95.116, 9.95.120, ((9.95.121, 9.95.122, 9.95.123;)) 9.95.124, 9.95.125, ((9.95.126;)) 9.95.130, ((9.95.140, 9.95.150, 9.95.160, 9.95.170;)) 9.95.190, 9.95.200, 9.95.204, 9.95.206, 9.95.210, 9.95.212, 9.95.214, 9.95.220, 9.95.230, 9.95.240, 9.95.250, 9.95.260, 9.95.265, 9.95.280, 9.95.290, 9.95.310, 9.95.320, 9.95.330, 9.95.340, 9.95.350, ((and)) 9.95.360, 9.95.370, 72.04A.070, and 72.04A.080.

(2) The following sections apply to any felony offense committed before July 1, 1984, and to any offense sentenced under section 303 of this act and committed on or after July 1, 2001: RCW 9.95.003, 9.95.005, 9.95.007, 9.95.020, 9.95.030, 9.95.031, 9.95.032, 9.95.055, 9.95.060, 9.95.062, 9.95.063, 9.95.064, 9.95.070, 9.95.090, 9.95.110, 9.95.121, 9.95.122, 9.95.123, 9.95.126, 9.95.140, 9.95.150, 9.95.160, 9.95.170, 9.95.300, and 9.96.050.

Sec. 354. RCW 9A.28.020 and 1994 c 271 s 101 are each amended to read as follows:

(1) A person is guilty of an attempt to commit a crime if, with intent to commit a specific crime, he or she does any act which is a substantial step toward the commission of that crime.

(2) If the conduct in which a person engages otherwise constitutes an attempt to commit a crime, it is no defense to a prosecution of such attempt that the crime charged to have been attempted was, under the attendant circumstances, factually or legally impossible of commission.

(3) An attempt to commit a crime is a:

(a) Class A felony when the crime attempted is murder in the first degree, murder in the second degree, ~~((or))~~ arson in the first degree, child molestation in the first degree, indecent liberties by forcible compulsion, rape in the first degree, rape in the second degree, rape of a child in the first degree, or rape of a child in the second degree;

(b) Class B felony when the crime attempted is a class A felony other than ~~((murder in the first degree, murder in the second degree, or arson in the first degree))~~ an offense listed in (a) of this subsection;

(c) Class C felony when the crime attempted is a class B felony;

(d) Gross misdemeanor when the crime attempted is a class C felony;

(e) Misdemeanor when the crime attempted is a gross misdemeanor or misdemeanor.

Sec. 355. RCW 9A.36.021 and 1997 c 196 s 2 are each amended to read as follows:

(1) A person is guilty of assault in the second degree if he or she, under circumstances not amounting to assault in the first degree:

(a) Intentionally assaults another and thereby recklessly inflicts substantial bodily harm; or

(b) Intentionally and unlawfully causes substantial bodily harm to an unborn quick child by intentionally and unlawfully inflicting any injury upon the mother of such child; or

(c) Assaults another with a deadly weapon; or

(d) With intent to inflict bodily harm, administers to or causes to be taken by another, poison or any other destructive or noxious substance; or

(e) With intent to commit a felony, assaults another; or

(f) Knowingly inflicts bodily harm which by design causes such pain or agony as to be the equivalent of that produced by torture.

(2) Assault in the second degree is a class B felony, except that assault in the second degree with a finding of sexual motivation under RCW 9.94A.127 or 13.40.135 is a class A felony.

Sec. 356. RCW 9A.40.030 and 1975 1st ex.s. c 260 s 9A.40.030 are each amended to read as follows:

(1) A person is guilty of kidnapping in the second degree if he or she intentionally abducts another person under circumstances not amounting to kidnapping in the first degree.

(2) In any prosecution for kidnapping in the second degree, it is a defense if established by the defendant by a preponderance of the evidence that (a) the abduction does not include the use of or intent to use or threat to use deadly force,

and (b) the actor is a relative of the person abducted, and (c) the actor's sole intent is to assume custody of that person. Nothing contained in this paragraph shall constitute a defense to a prosecution for, or preclude a conviction of, any other crime.

(3) Kidnapping in the second degree is a class B felony, except that kidnapping in the second degree with a finding of sexual motivation under RCW 9.94A.127 or 13.40.135 is a class A felony.

Sec. 357. RCW 9A.44.093 and 1994 c 271 s 306 are each amended to read as follows:

(1) A person is guilty of sexual misconduct with a minor in the first degree when: (a) The person has, or knowingly causes another person under the age of eighteen to have, sexual intercourse with another person who is at least sixteen years old but less than eighteen years old and not married to the perpetrator, if the perpetrator is at least sixty months older than the victim, is in a significant relationship to the victim, and abuses a supervisory position within that relationship in order to engage in or cause another person under the age of eighteen to engage in sexual intercourse with the victim; or (b) the person is a school employee who has, or knowingly causes another person under the age of eighteen to have, sexual intercourse with a registered student of the school who is at least sixteen years old and not married to the employee, if the employee is at least sixty months older than the student.

(2) Sexual misconduct with a minor in the first degree is a class C felony.

(3) For the purposes of this section, "school employee" means an employee of a common school defined in RCW 28A.150.020, or a grade kindergarten through twelve employee of a private school under chapter 28A.195 RCW, who is not enrolled as a student of the common school or private school.

Sec. 358. RCW 9A.44.096 and 1994 c 271 s 307 are each amended to read as follows:

(1) A person is guilty of sexual misconduct with a minor in the second degree when: (a) The person has, or knowingly causes another person under the age of eighteen to have, sexual contact with another person who is at least sixteen years old but less than eighteen years old and not married to the perpetrator, if the perpetrator is at least sixty months older than the victim, is in a significant relationship to the victim, and abuses a supervisory position within that relationship in order to engage in or cause another person under the age of eighteen to engage in sexual contact with the victim; or (b) the person is a school employee who has, or knowingly causes another person under the age of eighteen to have, sexual contact with a registered student of the school who is at least sixteen years old and not married to the employee, if the employee is at least sixty months older than the student.

(2) Sexual misconduct with a minor in the second degree is a gross misdemeanor.

(3) For the purposes of this section, "school employee" means an employee of a common school defined in RCW 28A.150.020, or a grade kindergarten through twelve employee of a private school under chapter 28A.195 RCW, who is not enrolled as a student of the common school or private school.

Sec. 359. RCW 9A.44.100 and 1997 c 392 s 515 are each amended to read as follows:

(1) A person is guilty of indecent liberties when he or she knowingly causes another person who is not his or her spouse to have sexual contact with him or her or another:

(a) By forcible compulsion;

(b) When the other person is incapable of consent by reason of being mentally defective, mentally incapacitated, or physically helpless;

(c) When the victim is developmentally disabled and the perpetrator is a person who is not married to the victim and who has supervisory authority over the victim;

(d) When the perpetrator is a health care provider, the victim is a client or patient, and the sexual contact occurs during a treatment session, consultation, interview, or examination. It is an affirmative defense that the defendant must prove by a preponderance of the evidence that the client or patient consented to the sexual contact with the knowledge that the sexual contact was not for the purpose of treatment;

(e) When the victim is a resident of a facility for mentally disordered or chemically dependent persons and the perpetrator is a person who is not married to the victim and has supervisory authority over the victim; or

(f) When the victim is a frail elder or vulnerable adult and the perpetrator is a person who is not married to the victim and who has a significant relationship with the victim.

(2) Indecent liberties is a class B felony, except that indecent liberties by forcible compulsion is a class A felony.

Sec. 360. RCW 9A.76.— and 2001 c 287 s 1 are each amended to read as follows:

(1) A person is guilty of ~~((escape by a))~~ sexually violent predator escape if~~((; having been committed to the department of social and health services as a sexually violent predator under chapter 71.09 RCW, he or she:~~

~~— (a) Escapes from custody;~~

~~— (b) Escapes from a commitment facility;~~

~~— (c) Escapes from a less restrictive alternative facility; or~~

~~— (d) While on conditional release and residing in a location other than at a commitment center or less restrictive alternative facility, leaves or remains absent from the state of Washington without prior court authorization));~~

(a) Having been found to be a sexually violent predator and confined to the special commitment center or another secure facility under court order, the person escapes from the secure facility;

(b) Having been found to be a sexually violent predator and being under an order of conditional release, the person leaves or remains absent from the state of Washington without prior court authorization; or

(c) Having been found to be a sexually violent predator and being under an order of conditional release, the person: (i) Without authorization, leaves or remains absent from his or her residence, place of employment, educational institution, or authorized outing; (ii) tampers with his or her electronic monitoring device or removes it without authorization; or (iii) escapes from his or her escort.

(2) (~~Escape by a~~) Sexually violent predator escape is a class (B) Δ felony with a minimum sentence of sixty months, and shall be sentenced under section 303 of this act.

Sec. 361. RCW 9.94A.320 and 2001 c 310 s 4, 2001 c 267 s 3, 2001 c 224 s 3, 2001 c 222 s 24, and 2001 c 207 s 3 are each reenacted and amended to read as follows:

TABLE 2

CRIMES INCLUDED WITHIN EACH SERIOUSNESS LEVEL

XVI	Aggravated Murder 1 (RCW 10.95.020)
XV	Homicide by abuse (RCW 9A.32.055) Malicious explosion 1 (RCW 70.74.280(1)) Murder 1 (RCW 9A.32.030)
XIV	Murder 2 (RCW 9A.32.050)
XIII	Malicious explosion 2 (RCW 70.74.280(2)) Malicious placement of an explosive 1 (RCW 70.74.270(1))
XII	Assault 1 (RCW 9A.36.011) Assault of a Child 1 (RCW 9A.36.120) Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a)) Rape 1 (RCW 9A.44.040) Rape of a Child 1 (RCW 9A.44.073)
XI	Manslaughter 1 (RCW 9A.32.060) Rape 2 (RCW 9A.44.050) Rape of a Child 2 (RCW 9A.44.076)
X	Child Molestation 1 (RCW 9A.44.083) <u>(Escape by a) Sexually Violent Predator <u>Escape</u> (RCW 9A.76.— (section 1, chapter 287, Laws of 2001, <u>as amended by section 360, chapter ... (this act), Laws of 2001 2nd sp. sess.</u>)</u> Indecent Liberties (with forcible compulsion) (RCW 9A.44.100(1)(a))

- Kidnapping 1 (RCW 9A.40.020)
- Leading Organized Crime (RCW 9A.82.060(1)(a))
- Malicious explosion 3 (RCW 70.74.280(3))
- Manufacture of methamphetamine (RCW 69.50.401(a)(1)(ii))
- Over 18 and deliver heroin, methamphetamine, a narcotic from Schedule I or II, or flunitrazepam from Schedule IV to someone under 18 (RCW 69.50.406)
- IX Assault of a Child 2 (RCW 9A.36.130)
- Controlled Substance Homicide (RCW 69.50.415)
- Explosive devices prohibited (RCW 70.74.180)
- Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050)
- Inciting Criminal Profiteering (RCW 9A.82.060(1)(b))
- Malicious placement of an explosive 2 (RCW 70.74.270(2))
- Over 18 and deliver narcotic from Schedule III, IV, or V or a nonnarcotic, except flunitrazepam or methamphetamine, from Schedule I-V to someone under 18 and 3 years junior (RCW 69.50.406)
- Robbery 1 (RCW 9A.56.200)
- Sexual Exploitation (RCW 9.68A.040)
- Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520)
- VIII Arson 1 (RCW 9A.48.020)
- Deliver or possess with intent to deliver methamphetamine (RCW 69.50.401(a)(1)(ii))
- Hit and Run—Death (RCW 46.52.020(4)(a))
- Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050)
- Manslaughter 2 (RCW 9A.32.070)
- Manufacture, deliver, or possess with intent to deliver amphetamine (RCW 69.50.401(a)(1)(ii))

- Manufacture, deliver, or possess with intent to deliver heroin or cocaine (RCW 69.50.401(a)(1)(i))
- Possession of Ephedrine, Pseudoephedrine, or Anhydrous Ammonia with intent to manufacture methamphetamine (RCW 69.50.440)
- Promoting Prostitution 1 (RCW 9A.88.070)
- Selling for profit (controlled or counterfeit) any controlled substance (RCW 69.50.410)
- Theft of Anhydrous Ammonia (RCW 69.55.010)
- Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520)
- VII
 - Burglary 1 (RCW 9A.52.020)
 - Child Molestation 2 (RCW 9A.44.086)
 - Dealing in depictions of minor engaged in sexually explicit conduct (RCW 9.68A.050)
 - Drive-by Shooting (RCW 9A.36.045)
 - Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050)
 - Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c))
 - Introducing Contraband 1 (RCW 9A.76.140)
 - Involving a minor in drug dealing (RCW 69.50.401(f))
 - Malicious placement of an explosive 3 (RCW 70.74.270(3))
 - Sending, bringing into state depictions of minor engaged in sexually explicit conduct (RCW 9.68A.060)
 - Unlawful Possession of a Firearm in the first degree (RCW 9A.040(1)(a))
 - Use of a Machine Gun in Commission of a Felony (RCW 9A.225)
 - Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520)
- VI
 - Bail Jumping with Murder 1 (RCW 9A.76.170(~~(2)~~) (3)(a))
 - Bribery (RCW 9A.68.010)

- Incest 1 (RCW 9A.64.020(1))
- Intimidating a Judge (RCW 9A.72.160)
- Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130)
- Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b))
- Manufacture, deliver, or possess with intent to deliver narcotics from Schedule I or II (except heroin or cocaine) or flunitrazepam from Schedule IV (RCW 69.50.401(a)(1)(i))
- Rape of a Child 3 (RCW 9A.44.079)
- Theft of a Firearm (RCW 9A.56.300)
- Unlawful Storage of Anhydrous Ammonia (RCW 69.55.020)
- V Abandonment of dependent person 1 (RCW 9A.42.060)
- Advancing money or property for extortionate extension of credit (RCW 9A.82.030)
- Bail Jumping with class A Felony (RCW 9A.76.170(~~((2))~~) (3)(b))
- Child Molestation 3 (RCW 9A.44.089)
- Criminal Mistreatment 1 (RCW 9A.42.020)
- Custodial Sexual Misconduct 1 (RCW 9A.44.160)
- Delivery of imitation controlled substance by person eighteen or over to person under eighteen (RCW 69.52.030(2))
- Domestic Violence Court Order Violation (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, 26.26.138, 26.50.110, 26.52.070, or 74.34.145)
- Extortion 1 (RCW 9A.56.120)
- Extortionate Extension of Credit (RCW 9A.82.020)
- Extortionate Means to Collect Extensions of Credit (RCW 9A.82.040)
- Incest 2 (RCW 9A.64.020(2))
- Kidnapping 2 (RCW 9A.40.030)
- Perjury 1 (RCW 9A.72.020)
- Persistent prison misbehavior (RCW 9.94.070)
- Possession of a Stolen Firearm (RCW 9A.56.310)
- Rape 3 (RCW 9A.44.060)

- Rendering Criminal Assistance 1 (RCW 9A.76.070)
- Sexual Misconduct with a Minor 1. (RCW 9A.44.093)
- Sexually Violating Human Remains (RCW 9A.44.105)
- Stalking (RCW 9A.46.110)
- IV Arson 2 (RCW 9A.48.030)
- Assault 2 (RCW 9A.36.021)
- Assault by Watercraft (RCW 79A.60.060)
- Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100)
- Commercial Bribery (RCW 9A.68.060)
- Counterfeiting (RCW 9.16.035(4))
- Escape 1 (RCW 9A.76.110)
- Hit and Run—Injury (RCW 46.52.020(4)(b))
- Hit and Run with Vessel—Injury Accident (RCW 79A.60.200(3))
- Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010)
- Influencing Outcome of Sporting Event (RCW 9A.82.070)
- Knowingly Trafficking in Stolen Property (RCW 9A.82.050(2))
- Malicious Harassment (RCW 9A.36.080)
- Manufacture, deliver, or possess with intent to deliver narcotics from Schedule III, IV, or V or nonnarcotics from Schedule I-V (except marijuana, amphetamine, methamphetamines, or flunitrazepam) (RCW 69.50.401(a)(1) (iii) through (v))
- Residential Burglary (RCW 9A.52.025)
- Robbery 2 (RCW 9A.56.210)
- Theft of Livestock 1 (RCW 9A.56.080)
- Threats to Bomb (RCW 9.61.160)
- Use of Proceeds of Criminal Profiteering (RCW 9A.82.080 (1) and (2))
- Vehicular Assault (RCW 46.61.522)
- Willful Failure to Return from Furlough (RCW 72.66.060)
- III Abandonment of dependent person 2 (RCW 9A.42.070)

Assault 3 (RCW 9A.36.031)
Assault of a Child 3 (RCW 9A.36.140)
Bail Jumping with class B or C Felony (RCW
9A.76.170(~~(2)~~)) (3)(c)
Burglary 2 (RCW 9A.52.030)
Communication with a Minor for Immoral
Purposes (RCW 9.68A.090)
Criminal Gang Intimidation (RCW 9A.46.120)
Criminal Mistreatment 2 (RCW 9A.42.030)
Custodial Assault (RCW 9A.36.100)
Delivery of a material in lieu of a controlled
substance (RCW 69.50.401(c))
Escape 2 (RCW 9A.76.120)
Extortion 2 (RCW 9A.56.130)
Harassment (RCW 9A.46.020)
Intimidating a Public Servant (RCW
9A.76.180)
Introducing Contraband 2 (RCW 9A.76.150)
Maintaining a Dwelling or Place for Controlled
Substances (RCW 69.50.402(a)(6))
Malicious Injury to Railroad Property (RCW
81.60.070)
Manufacture, deliver, or possess with intent to
deliver marijuana (RCW
69.50.401(a)(1)(iii))
Manufacture, distribute, or possess with intent
to distribute an imitation controlled
substance (RCW 69.52.030(1))
Patronizing a Juvenile Prostitute (RCW
9.68A.100)
Perjury 2 (RCW 9A.72.030)
Possession of Incendiary Device (RCW
9.40.120)
Possession of Machine Gun or Short-Barreled
Shotgun or Rifle (RCW 9.41.190)
Promoting Prostitution 2 (RCW 9A.88.080)
Recklessly Trafficking in Stolen Property
(RCW 9A.82.050(1))
Securities Act violation (RCW 21.20.400)
Tampering with a Witness (RCW 9A.72.120)
Telephone Harassment (subsequent conviction
or threat of death) (RCW 9.61.230)
Theft of Livestock 2 (RCW 9A.56.080)
Unlawful Imprisonment (RCW 9A.40.040)

Unlawful possession of firearm in the second degree (RCW 9A.040(1)(b))
Unlawful Use of Building for Drug Purposes (RCW 69.53.010)
Willful Failure to Return from Work Release (RCW 72.65.070)

II

Computer Trespass 1 (RCW 9A.52.110)
Counterfeiting (RCW 9.16.035(3))
Create, deliver, or possess a counterfeit controlled substance (RCW 69.50.401(b))
Escape from Community Custody (RCW 72.09.310)
Health Care False Claims (RCW 48.80.030)
Malicious Mischief 1 (RCW 9A.48.070)
Possession of controlled substance that is either heroin or narcotics from Schedule I or II or flunitrazepam from Schedule IV (RCW 69.50.401(d))
Possession of phencyclidine (PCP) (RCW 69.50.401(d))
Possession of Stolen Property 1 (RCW 9A.56.150)
Theft I (RCW 9A.56.030)
Theft of Rental, Leased, or Lease-purchased Property (valued at one thousand five hundred dollars or more) (RCW 9A.56.096(4))
Trafficking in Insurance Claims (RCW 48.30A.015)
Unlawful Practice of Law (RCW 2.48.180)
Unlicensed Practice of a Profession or Business (RCW 18.130.190(7))

I

Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024)
False Verification for Welfare (RCW 74.08.055)
Forged Prescription (RCW 69.41.020)
Forged Prescription for a Controlled Substance (RCW 69.50.403)
Forgery (RCW 9A.60.020)
Malicious Mischief 2 (RCW 9A.48.080)
Possess Controlled Substance that is a Narcotic from Schedule III, IV, or V or Non-

narcotic from Schedule I-V (except phencyclidine or flunitrazepam) (RCW 69.50.40I(d))
Possession of Stolen Property 2 (RCW 9A.56.160)
Reckless Burning 1 (RCW 9A.48.040)
Taking Motor Vehicle Without Permission (RCW 9A.56.070)
Theft 2 (RCW 9A.56.040)
Theft of Rental, Leased, or Lease-purchased Property (valued at two hundred fifty dollars or more but less than one thousand five hundred dollars) (RCW 9A.56.096(4))
Unlawful Issuance of Checks or Drafts (RCW 9A.56.060)
Unlawful Use of Food Stamps (RCW 9.91.140 (2) and (3))
Vehicle Prowl I (RCW 9A.52.095)

Sec. 362. RCW 72.09.370 and 1999 c 214 s 2 are each amended to read as follows:

(1) The secretary shall identify offenders in confinement or partial confinement who: (a) Are reasonably believed to be dangerous to themselves or others; and (b) have a mental disorder. In determining an offender's dangerousness, the secretary shall consider behavior known to the department and factors, based on research, that are linked to an increased risk for dangerousness of mentally ill offenders and shall include consideration of an offender's chemical dependency or abuse.

(2) Prior to release of an offender identified under this section, a team consisting of representatives of the department of corrections, the division of mental health, and, as necessary, the indeterminate sentence review board, other divisions or administrations within the department of social and health services, specifically including the division of alcohol and substance abuse and the division of developmental disabilities, the appropriate regional support network, and the providers, as appropriate, shall develop a plan, as determined necessary by the team, for delivery of treatment and support services to the offender upon release. The team may include a school district representative for offenders under the age of twenty-one. The team shall consult with the offender's counsel, if any, and, as appropriate, the offender's family and community. The team shall notify the crime victim/witness program, which shall provide notice to all people registered to receive notice under RCW 9.94A.155 of the proposed release plan developed by the team. Victims, witnesses, and other interested people notified by the department may provide information and comments to the department on potential safety risk to specific individuals or classes of individuals posed by the specific

offender. The team may recommend: (a) That the offender be evaluated by the county designated mental health professional, as defined in chapter 71.05 RCW; (b) department-supervised community treatment; or (c) voluntary community mental health or chemical dependency or abuse treatment.

(3) Prior to release of an offender identified under this section, the team shall determine whether or not an evaluation by a county designated mental health professional is needed. If an evaluation is recommended, the supporting documentation shall be immediately forwarded to the appropriate county designated mental health professional. The supporting documentation shall include the offender's criminal history, history of judicially required or administratively ordered involuntary antipsychotic medication while in confinement, and any known history of involuntary civil commitment.

(4) If an evaluation by a county designated mental health professional is recommended by the team, such evaluation shall occur not more than ten days, nor less than five days, prior to release.

(5) A second evaluation by a county designated mental health professional shall occur on the day of release if requested by the team, based upon new information or a change in the offender's mental condition, and the initial evaluation did not result in an emergency detention or a summons under chapter 71.05 RCW.

(6) If the county designated mental health professional determines an emergency detention under chapter 71.05 RCW is necessary, the department shall release the offender only to a state hospital or to a consenting evaluation and treatment facility. The department shall arrange transportation of the offender to the hospital or facility.

(7) If the county designated mental health professional believes that a less restrictive alternative treatment is appropriate, he or she shall seek a summons, pursuant to the provisions of chapter 71.05 RCW, to require the offender to appear at an evaluation and treatment facility. If a summons is issued, the offender shall remain within the corrections facility until completion of his or her term of confinement and be transported, by corrections personnel on the day of completion, directly to the identified evaluation and treatment facility.

(8) The secretary shall adopt rules to implement this section.

NEW SECTION. Sec. 363. A new section is added to chapter 9.95 RCW to read as follows:

The indeterminate sentence review board, in fulfilling its duties under the provisions of this act, shall be considered a parole board as that concept was treated in law under the state's indeterminate sentencing statutes.

PART IV
SEX OFFENDER TREATMENT PROVIDERS

Sec. 401. RCW 18.155.020 and 2000 c 171 s 33 and 2000 c 28 s 38 are each reenacted and amended to read as follows:

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

(1) "Certified sex offender treatment provider" means a licensed, certified, or registered health professional who is certified to examine and treat sex offenders pursuant to chapters 9.94A and 13.40 RCW ((9.94A.670 and 13.40.160)) and sexually violent predators under chapter 71.09 RCW.

(2) "Department" means the department of health.

(3) "Secretary" means the secretary of health.

(4) "Sex offender treatment provider" means a person who counsels or treats sex offenders accused of or convicted of a sex offense as defined by RCW 9.94A.030.

Sec. 402. RCW 18.155.030 and 2000 c 171 s 34 and 2000 c 28 s 39 are each reenacted and amended to read as follows:

(1) No person shall represent himself or herself as a certified sex offender treatment provider without first applying for and receiving a certificate pursuant to this chapter.

(2) Only a certified sex offender treatment provider may perform or provide the following services:

(a) Evaluations conducted for the purposes of and pursuant to RCW 9.94A.670 and 13.40.160;

(b) Treatment of convicted sex offenders who are sentenced and ordered into treatment pursuant to ((RCW 9.94A.670)) chapter 9.94A RCW and adjudicated juvenile sex offenders who are ordered into treatment pursuant to ((RCW 13.40.160)) chapter 13.40 RCW;

(c) Except as provided under subsection (3) of this section, treatment of sexually violent predators who are conditionally released to a less restrictive alternative pursuant to chapter 71.09 RCW.

(3) A certified sex offender treatment provider may not perform or provide treatment of sexually violent predators under subsection (2)(c) of this section if the certified sex offender treatment provider has been:

(a) Convicted of a sex offense, as defined in RCW 9.94A.030;

(b) Convicted in any other jurisdiction of an offense that under the laws of this state would be classified as a sex offense as defined in RCW 9.94A.030; or

(c) Suspended or otherwise restricted from practicing any health care profession by competent authority in any state, federal, or foreign jurisdiction.

NEW SECTION. Sec. 403. A new section is added to chapter 4.24 RCW to read as follows:

(1) A certified sex offender treatment provider, acting in the course of his or her duties, providing treatment to a person who has been released to a less

restrictive alternative under chapter 71.09 RCW or to a level III sex offender on community custody as a court or department ordered condition of sentence is not negligent because he or she treats a high risk offender; sex offenders are known to have a risk of reoffense. The treatment provider is not liable for civil damages resulting from the reoffense of a client unless the treatment provider's acts or omissions constituted gross negligence or willful or wanton misconduct. This limited liability provision does not eliminate the treatment provider's duty to warn of and protect from a client's threatened violent behavior if the client communicates a serious threat of physical violence against a reasonably ascertainable victim or victims. In addition to any other requirements to report violations, the sex offender treatment provider is obligated to report an offender's expressions of intent to harm or other predatory behavior, whether or not there is an ascertainable victim, in progress reports and other established processes that enable courts and supervising entities to assess and address the progress and appropriateness of treatment. This limited liability provision applies only to the conduct of certified sex offender treatment providers and not the conduct of the state.

(2) Sex offender treatment providers who provide services to the department of corrections by identifying risk factors and notifying the department of risks for the subset of high risk offenders who are not amenable to treatment and who are under court order for treatment or supervision are practicing within the scope of their profession.

NEW SECTION. Sec. 404. A new section is added to chapter 71.09 RCW to read as follows:

(1) Examinations and treatment of sexually violent predators who are conditionally released to a less restrictive alternative under this chapter shall be conducted only by sex offender treatment providers certified by the department of health under chapter 18.155 RCW unless the court or the department of social and health services finds that: (a) The court-ordered less restrictive alternative placement is located in another state; (b) the treatment provider is employed by the department; or (c)(i) all certified treatment providers become unavailable to provide treatment within a reasonable geographic distance of the person's home, as determined in rules adopted by the department of social and health services; and (ii) the evaluation and treatment plan comply with the rules adopted by the department of social and health services.

A treatment provider approved by the department of social and health services under (c) of this subsection, who is not certified by the department of health, shall consult with a certified provider during the person's period of treatment to ensure compliance with the rules adopted by the department of health. The frequency and content of the consultation shall be based on the recommendation of the certified provider.

(2) A treatment provider, whether or not he or she is employed or approved by the department of social and health services under subsection (1) of this section

or otherwise certified, may not perform or provide treatment of sexually violent predators under this section if the treatment provider has been:

- (a) Convicted of a sex offense, as defined in RCW 9.94A.030;
 - (b) Convicted in any other jurisdiction of an offense that under the laws of this state would be classified as a sex offense as defined in RCW 9.94A.030; or
 - (c) Suspended or otherwise restricted from practicing any health care profession by competent authority in any state, federal, or foreign jurisdiction.
- (3) Nothing in this section prohibits a qualified expert from examining or evaluating a sexually violent predator who has been conditionally released for purposes of presenting an opinion in court proceedings.

PART V TECHNICAL PROVISIONS

NEW SECTION. Sec. 501. The following acts or parts of acts are each repealed:

(1) RCW 9.95.0011 (Indeterminate sentence review board—Report—Recommendation of governor) and 1997 c 350 s 1, 1989 c 259 s 4, & 1986 c 224 s 12; and

(2) RCW 9.95.145 (Sex offenders—Release of information—Classification of offenders) and 1997 c 364 s 5 & 1990 c 3 s 127.

NEW SECTION. Sec. 502. The secretary of corrections, the secretary of social and health services, and the indeterminate sentence review board may adopt rules to implement this act.

NEW SECTION. Sec. 503. (1) Sections 301 through 363 of this act shall not affect the validity of any sentence imposed under any other law for any offense committed before, on, or after the effective date of this section.

(2) Sections 301 through 363 of this act shall apply to offenses committed on or after the effective date of this section.

NEW SECTION. Sec. 504. 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. 505. 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, except for sections 301 through 363, 501, and 503 of this act which take effect September 1, 2001.

Passed the Senate June 21, 2001.

Passed the House June 21, 2001.

Approved by the Governor June 26, 2001.

Filed in Office of Secretary of State June 26, 2001.

CHAPTER 13

[Substitute House Bill 1926]

LOCAL GOVERNMENT RECORDS

AN ACT Relating to local government records; amending RCW 36.22.175; repealing 1996 c 245 s 2 (uncodified); providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 36.22.175 and 1996 c 245 s 1 are each amended to read as follows:

(1) In addition to any other charge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for each document recorded. Revenue generated through this surcharge shall be transmitted monthly to the state treasurer for deposit in the archives and records management account. These funds shall be used solely for providing records scheduling, security microfilm inspection and storage, archival preservation, cataloging, and indexing for local government records and digital data and access to those records and data through the regional branch archives of the division of archives and records management. ((This section shall expire June 30, 2001:-))

The division of archives and records management within the office of the secretary of state shall provide records management training for local governments and shall establish a competitive grant program to solicit and prioritize project proposals from local governments for potential funding to be paid for by funds from the auditor surcharge and tax warrant surcharge revenues. Application for specific projects may be made by local government agencies only. The state archivist in consultation with the advisory committee established under RCW 40.14.027 shall adopt rules governing project eligibility, evaluation, awarding of grants, and other criteria including requirements for records management training for grant recipients

(2) The advisory committee established under RCW 40.14.027 shall review grant proposals and establish a prioritized list of projects to be considered for funding by January 1st of each even-numbered year, beginning in 2002. The evaluation of proposals and development of the prioritized list must be developed through open public meetings. Funding for projects shall be granted according to the ranking of each application on the prioritized list and projects will be funded only to the extent that funds are available. A grant award may have an effective date other than the date the project is placed on the prioritized list.

(3) In addition to any other surcharge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for every document recorded after January 1, 2002. Revenue generated through this surcharge shall be transmitted to the state treasurer monthly for deposit in the archives and records management account to be used exclusively for the construction and improvement of a specialized regional facility located in eastern Washington designed to serve the archives, records management, and digital data management needs of local government.

To the extent the facilities are used for the storage and retrieval of state agency records and digital data, that portion of the construction of such facilities used for state government records and data shall be supported by other charges and fees paid by state agencies and shall not be supported by the surcharge authorized in this subsection.

At such time that all debt service from construction on such facility has been paid, fifty percent of the surcharge authorized by this subsection shall be reverted to the centennial document preservation and modernization account as prescribed in RCW 36.22.170 and fifty percent of the surcharge authorized by this section shall be reverted to the state treasurer for deposit in the archives and records management account to serve the archives, records management, and digital data management needs of local government.

NEW SECTION. Sec. 2. 1996 c 245 s 2 (uncodified) is repealed.

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 June 30, 2001.

Passed the House June 18, 2001.

Passed the Senate June 19, 2001.

Approved by the Governor June 26, 2001.

Filed in Office of Secretary of State June 26, 2001.

CHAPTER 14

[Third Engrossed Substitute Senate Bill 5327]

TRANSPORTATION FUNDING

AN ACT Relating to transportation funding and appropriations; amending RCW 47.04.210, 47.04.220, 43.84.092, and 43.84.092; adding a new section to chapter 47.01 RCW; creating new sections; making appropriations and authorizing expenditures for capital improvements; providing an effective date; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

2001-03 BIENNIUM

NEW SECTION. Sec. 1. (1) The transportation budget of the state is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2003.

(2) Legislation with fiscal impacts enacted in the 2001 legislative session not assumed in this act are not funded in the 2001-03 transportation budget.

(3) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

(a) "Fiscal year 2002" or "FY 2002" means the fiscal year ending June 30, 2002.

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(b) "Fiscal year 2003" or "FY 2003" means the fiscal year ending June 30, 2003.

(c) "FTE" means full-time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose.

(f) "Performance-based budgeting" means a budget that bases resource needs on quantified outcomes and results expected from use of the total appropriation. "Performance-based budgeting" does not mean incremental budgeting that focuses on justifying changes from the historic budget or to line-item input-driven budgets.

(g) "Goals" means the statements of purpose that identify a desired result or outcome. The statements shall be realistic, achievable, directive, assignable, evaluative, and logically linked to the agency's mission and statutory mandate.

(h) "Strategic plan" means the strategies agencies create for investment choices in the future. All agency strategic plans shall present alternative investment strategies for providing services.

GENERAL GOVERNMENT AGENCIES—OPERATING

NEW SECTION. Sec. 101. FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Account—State Appropriation \$ 305,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts as provided solely for that activity: The entire appropriation is provided solely for costs associated with the motor fuel quality program.

NEW SECTION. Sec. 102. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM

Motor Vehicle Account—State Appropriation \$ 1,676,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$1,188,000 of the motor vehicle account—state appropriation is provided for the implementation of House Bill No. 2269 in the form enacted by the legislature. If House Bill No. 2269 is not enacted in the form passed by the legislature by July 31, 2001, this funding will lapse.

NEW SECTION. Sec. 103. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Grade Crossing Protective Account—

State Appropriation \$ 126,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The utilities and transportation commission shall develop a rail grade crossing safety

grant program which will fully fund selected safety projects to the extent allowable under chapter 81.53 RCW.

NEW SECTION. Sec. 104. FOR THE STATE PARKS AND RECREATION COMMISSION

Motor Vehicle Account—State Appropriation \$ 819,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The appropriation in this section is provided solely for road maintenance purposes.

NEW SECTION. Sec. 105. FOR THE OFFICE OF STATE AUDITOR

Motor Vehicle Account—State Appropriation \$ 126,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The appropriation is a one-time appropriation for the development of the local government finance project.

***NEW SECTION. Sec. 106. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

State Patrol Highway Account—State
Appropriation \$ 50,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

The entire appropriation is provided to the joint legislative audit and review committee for fiscal year 2002 solely for a study of the state patrol's communications systems planning process. The focus of the study is: A review of the planning process and analyses employed by the Washington state patrol in developing budget requests for its communications systems including the Meng Value Analysis as reported on March 22, 1999; an assessment of the adequacy of the information supporting the budget requests; and recommendations for any improvements to such information for present and future budget requests. The committee may contract for consulting services in conducting the study. The study final report shall be submitted to the appropriate committees of the legislature by December 31, 2001.

A joint workgroup of representatives from the state patrol, office of financial management, and department of information systems shall review future state patrol technology plans or budget reports for consistency with the recommendations identified by this study.

*Sec. 106 was vetoed. See message at end of chapter.

GENERAL GOVERNMENT AGENCIES—CAPITAL

NEW SECTION. Sec. 107. FOR WASHINGTON STATE PARKS AND RECREATION—CAPITAL PROJECTS

Motor Vehicle Account—State Appropriation \$ 763,000

The motor vehicle account—state appropriation is a one-time reappropriation and is provided solely for the projects specified in this section. Any of the appropriations not expended by June 30, 2003, shall revert to the motor vehicle account—state.

TRANSPORTATION AGENCIES

NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State Appropriation \$ 1,638,000
Highway Safety Account—Federal Appropriation \$ 5,671,000
School Zone Safety Account—State Appropriation \$ 1,504,000
TOTAL APPROPRIATION \$ 8,813,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity: The Washington traffic safety commission may oversee no more than four pilot projects implementing the use of traffic safety cameras at school zones, railroad crossings, construction zones or stoplights, and no more than one pilot project regarding the use of traffic safety cameras in residential neighborhoods, at school zones, railroad crossings, construction zones, or stoplights.

(1) In order to ensure adequate time in the 2001-03 biennium to evaluate the effectiveness of the pilot program, any programs authorized by the commission must be authorized by December 31, 2001.

(2) If the state, a county, or a city has established an authorized traffic safety camera pilot program under this section, the compensation paid to the manufacturer or vendor of the equipment used: Must be based upon the value of the equipment and services provided or rendered in support of the system; and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment.

(3) The traffic safety commission shall use the following guidelines to administer the program:

(a) Traffic safety cameras may take pictures of the vehicle and vehicle license plate only;

(b) The law enforcement agency of the city or county government shall plainly mark the locations where the automated traffic enforcement system is used by placing signs on street locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic enforcement system;

(c) Cities and counties using traffic safety cameras must provide periodic notice by mail to its citizens indicating the zones in which the traffic safety cameras will be used;

(d) Notices of infractions must be mailed to the registered owner of a vehicle within fourteen days of the infraction occurring;

(e) The owner of the vehicle is not responsible for the violation if the owner of the vehicle, within fifteen days after notification of the violation, furnishes the officials or agents of the municipality that issued the citation with:

(i) An affidavit made under oath, stating that the vehicle involved was, at the time, stolen or in the care, custody, or control of some person other than the registered owner; or

(ii) Testimony in open court under oath that the person was not the operator of the vehicle at the time of the alleged violation;

(f) Infractions detected through the use of traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120; and

(g) By January 1, 2003, the traffic safety commission shall provide a report to the legislature regarding the use, public acceptance, outcomes, and other relevant issues regarding traffic safety cameras demonstrated by the pilot projects.

NEW SECTION. Sec. 202. FOR THE BOARD OF PILOTAGE COMMISSIONERS

Pilotage Account—State Appropriation	\$ 305,000
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NEW SECTION. Sec. 203. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State	
Appropriation	\$ 50,182,000
Motor Vehicle Account—State Appropriation	\$ 1,887,000
County Arterial Preservation Account—	
State Appropriation	\$ 28,551,000
TOTAL APPROPRIATION	\$ 80,620,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

It is the intent of the legislature that the county road administration board receive separate programmatic appropriations for the operating program and the capital program for the 2001-03 biennium, and thereafter. Agency administrative costs may not be charged against projects or funded from the capital program appropriations.

(1) \$1,540,000 of the motor vehicle account—state appropriation, \$870,000 of the county arterial preservation account—state appropriation, and \$917,000 of the rural arterial trust account—state appropriation are provided for the operations program. Of the motor vehicle account—state appropriation, \$368,000 is provided for county ferries as set forth in RCW 47.56.724(4).

(2) \$347,000 of the motor vehicle account—state appropriation, \$27,681,000 of the county arterial preservation account—state appropriation, and \$49,265,000 of the rural arterial trust account—state appropriation are provided for the capital program.

NEW SECTION. Sec. 204. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Urban Arterial Trust Account—State	
Appropriation	\$ 94,690,000
Transportation Improvement Account—	
State Appropriation	\$ 118,605,000
TOTAL APPROPRIATION	\$ 213,295,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

It is the intent of the legislature that the transportation improvement board receive separate programmatic appropriations for the operating program and the capital program for the 2001-03 biennium, and thereafter. Agency administrative costs may not be charged against projects or funded from the capital program appropriations.

(1) \$1,551,000 of the transportation improvement account—state appropriation and \$1,552,000 of the urban arterial trust account—state appropriation are provided for the operations program.

(2) \$117,054,000 of the transportation improvement account—state appropriation and \$93,138,000 of the urban arterial trust account—state appropriation are provided for the capital program.

(3) The transportation improvement account—state appropriation includes \$47,325,000 in proceeds from the sale of bonds authorized in RCW 47.26.500. The transportation improvement board may authorize the use of current revenues available to the agency in-lieu of bond proceeds for any part of the state appropriation.

NEW SECTION. Sec. 205. FOR THE LEGISLATIVE TRANSPORTATION COMMITTEE

Motor Vehicle Account—State Appropriation	\$ 3,596,000
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The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) \$2,823,000 of the motor vehicle account—state appropriation is provided for the operation of the house of representatives transportation committee.

(2) To the extent possible, this appropriation shall utilize funds allocated under RCW 46.68.110(2).

(3) The house of representatives transportation committee shall conduct a study of the use of motorized scooters. The study shall, at a minimum, identify and analyze the safety issues associated with use of motorized scooters, including use by children, commuters, and the disabled. House of representatives transportation committee cochairs shall each appoint one member from their respective caucus to serve as cochair of the study group. The chair of the senate transportation committee may also appoint two members from the senate transportation committee, one from each caucus, to participate in the study. The study shall be staffed by house of representatives transportation committee staff.

The study group shall report back to the house of representatives transportation committee by January 1, 2002.

(4) The house of representatives transportation committee shall conduct a study of the effect of the weight of fire-fighting apparatus on state roadways. The study shall determine, at a minimum, the various types of fire-fighting apparatus currently in use on state roadways; the size, weight and load effect of fire-fighting apparatus that are currently in use or that potentially could be in use on the state roadways, as well as on state bridges; and the effect on public safety. The study may examine state and federal laws that affect fire-fighting apparatuses. House of representatives transportation committee cochair shall each appoint one member from their respective caucus to serve as cochair of the study group. The study shall be staffed by house of representatives transportation committee staff. The study group will report back to the house of representatives transportation committee by January 1, 2002.

(5) The legislative transportation committee shall conduct a feasibility study of potential for economic partnerships between the Washington state ferries and local government entities, including but not limited to port districts. The study is intended to improve ferry terminals. The study shall, at a minimum, identify the market, physical, and economic factors that should be examined in determining whether an economic or commercial development partnership project on or around Washington state ferry terminals is likely to produce revenue for the partners. The study shall apply those factors to an analysis of each terminal used by Washington state ferries and recommend whether further exploration of state and local partnerships would be of potential economic benefit to the partners. The entity selected to perform the study through the request for proposals process will report back to the transportation committees of the legislature by December 1, 2001.

(6) The legislative transportation committee, in cooperation with an areawide transportation system or systems, shall undertake an evaluation of providing locally sponsored transit services in a local community supplemental to those services provided by an areawide system. The evaluation shall address:

(a) The costs and benefits of providing such services;

(b) The impact of such service on ridership on the areawide system and on any regional systems;

(c) Funding options for supplemental services; and

(d) Institutional arrangements affecting the institution of supplemental services.

The committee shall work with the department of transportation, areawide transit providers, community officials, private businesses, labor organizations, and others as appropriate in conducting the evaluation, and in developing a pilot project if feasible. The committee shall provide an interim progress report to the legislature by January 2002. The committee shall report its findings to the legislature not later than December 1, 2002.

NEW SECTION. Sec. 206. FOR THE MARINE EMPLOYEES COMMISSION

Puget Sound Ferry Operations Account—

State Appropriation \$ 332,000

NEW SECTION. Sec. 207. FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account—State Appropriation \$ 773,000

NEW SECTION. Sec. 208. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Motor Vehicle Account—State Appropriation \$ 717,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: The appropriation in this section includes \$100,000 distributed under RCW 46.68.110(2) that is provided solely for a comprehensive, long-term, statewide freight needs analysis. These funds represent 20 percent of the biennial cost and shall lapse if the additional 80 percent funding is not secured from partners.

NEW SECTION. Sec. 209. FOR THE WASHINGTON STATE PATROL—FIELD OPERATIONS BUREAU

State Patrol Highway Account—

State Appropriation \$ 162,081,000

State Patrol Highway Account—

Federal Appropriation \$ 7,084,000

State Patrol Highway Account—

Private/Local Appropriation \$ 169,000

TOTAL APPROPRIATION \$ 169,334,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for the activities of the field operations bureau:

(1) As a result of the elimination of the vehicle inspection number (VIN) program, no permanent Washington state patrol employee shall be displaced from employment without the opportunity to fill a vacant patrol position for which he or she has a preference and meets the minimum qualifications. For the purpose of the VIN program elimination, the guidelines under chapter 356-26 WAC (Registers-Certifications) shall be suspended for those employees holding the classification of VIN 1 or 2.

(2) To the extent possible, the agency shall transfer displaced VIN personnel into the 20 newly created school bus inspection and motor carrier safety assistance program positions. The agency shall fill existing vacant positions within the commercial vehicle division with displaced VIN personnel. The agency shall report by December 31, 2001, to the senate and house of representatives transportation committees on efforts to relocate displaced VIN personnel.

***NEW SECTION. Sec. 210. FOR THE WASHINGTON STATE PATROL—SUPPORT SERVICES BUREAU**

State Patrol Highway Account—

State Appropriation	\$	69,960,000
State Patrol Highway Account—		
Private/Local Appropriation	\$	735,000
TOTAL APPROPRIATION	\$	70,695,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for the activities of the support services bureau. *The Washington state patrol shall improve response times during emergency radio outages by allowing electronic services field technicians to take home their assigned vehicle and equipment even though they may be off duty.*

*Sec. 210 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF LICENSING—MANAGEMENT AND SUPPORT SERVICES

Marine Fuel Tax Refund Account—State		
Appropriation	\$	7,000
Motorcycle Safety Education Account—		
State Appropriation	\$	114,000
Wildlife Account—State Appropriation	\$	89,000
Highway Safety Account—State Appropriation	\$	7,740,000
Motor Vehicle Account—State Appropriation	\$	4,230,000
Licensing Services Account—State		
Appropriation	\$	123,000
TOTAL APPROPRIATION	\$	12,303,000

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF LICENSING—INFORMATION SYSTEMS

Marine Fuel Tax Refund Account—State		
Appropriation	\$	2,000
Motorcycle Safety Education Account—		
State Appropriation	\$	50,000
Wildlife Account—State Appropriation	\$	34,000
Highway Safety Account—State Appropriation	\$	5,655,000
Motor Vehicle Account—State Appropriation	\$	3,304,000
Licensing Services Account—State		
Appropriation	\$	292,000
TOTAL APPROPRIATION	\$	9,337,000

The appropriations in this section are subject to the following conditions and limitations: The department of licensing shall report to the legislative transportation committees on the progress of the expanded internet service no later than December 15, 2002.

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF LICENSING—VEHICLE SERVICES

Marine Fuel Tax Refund Account—		
State Appropriation	\$	26,000

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Wildlife Account—State Appropriation	\$	578,000
Motor Vehicle Account—State Appropriation	\$	57,043,000
Licensing Services Account—State		
Appropriation	\$	3,123,000
TOTAL APPROPRIATION	\$	60,770,000

NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF LICENSING—DRIVER SERVICES

Motorcycle Safety Education Account—		
State Appropriation	\$	2,223,000
Highway Safety Account—State Appropriation	\$	81,366,000
TOTAL APPROPRIATION	\$	83,589,000

The appropriations in this section are subject to the following conditions and limitations: The department of licensing shall prepare a capital project plan adopting a process for using certificates of participation to purchase licensing services offices if the combined principle and interest payments are the same or less than existing or future leases on comparable facilities.

NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MANAGEMENT AND FACILITIES—PROGRAM D—OPERATING

Motor Vehicle Account—State Appropriation	\$	50,649,000
Motor Vehicle Account—Federal Appropriation	\$	400,000
TOTAL APPROPRIATION	\$	51,049,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$3,296,000 of the motor vehicle account—state appropriation is provided solely for the implementation of Engrossed Senate Bill No. 6188.

NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F

Aeronautics Account—State Appropriation	\$	4,852,000
Aircraft Search and Rescue Safety and		
Education Account—State Appropriation	\$	160,000
TOTAL APPROPRIATION	\$	5,012,000

NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

Motor Vehicle Account—State Appropriation	\$	508,936,000
Motor Vehicle Account—Federal Appropriation	\$	219,538,000
Motor Vehicle Account—Private/Local		
Appropriation	\$	40,904,000
Special Category C Account—State		
Appropriation	\$	72,608,000
Multimodal Transportation Account—State		
Appropriation	\$	4,880,000

TOTAL APPROPRIATION \$ 846,866,000

The appropriations in this section are provided for the location, design, right of way acquisition, or construction of state highway projects designated as improvements under RCW 47.05.030. The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The special category C account—state appropriation of \$72,608,000 includes \$63,500,000 in proceeds from the sale of bonds authorized in RCW 47.10.812. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(2) The department shall report December 1st and June 1st of each year to the senate and the house of representatives transportation committees and the office of financial management on the timing and the scope of work being performed for the regional transit authority known as sound transit. This report shall provide a description of all department activities related to the regional transit authority including investments in state-owned infrastructure.

(3) The motor vehicle account—state appropriation includes \$391,637,000 in proceeds from the sale of bonds authorized by RCW 47.10.843. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(4) At least \$554,714,000 of the total appropriation is provided for the construction phase of the improvement program.

(5) \$4,880,000 of the multimodal transportation account—state appropriation is provided solely for the state program share of freight mobility projects as identified by the freight mobility strategic investment board.

(6) The motor vehicle account—state appropriation includes \$3,898,000 in unexpended proceeds from the January 2001 bond sale authorized in RCW 47.10.834 for the Tacoma Narrows bridge project. The transportation commission may authorize the use of current revenues available to the department of transportation in-lieu of bond proceeds for any part of the state appropriation.

NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION ECONOMIC PARTNERSHIPS—PROGRAM K—OPERATING

Motor Vehicle Account—State Appropriation \$ 1,153,000

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION ECONOMIC PARTNERSHIPS—PROGRAM K—CAPITAL

Motor Vehicle Account—State Appropriation \$ 1,400,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The motor vehicle account—state appropriation consists of proceeds from the sale of bonds authorized in RCW 47.10.834 for all forms of cash contributions, or the payment of other costs incident to the location, development, design, right of way, and construction of the Tacoma narrows bridge improvements under the public-private transportation initiative program authorized under chapter 47.46 RCW.

(2) The transportation commission may authorize the use of current revenues available to the department of transportation in-lieu of bond proceeds for any part of the state appropriation.

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Motor Vehicle Account—State Appropriation	\$	275,394,000
Motor Vehicle Account—Federal Appropriation	\$	512,000
Motor Vehicle Account—Private/Local		
Appropriation	\$	4,067,000
TOTAL APPROPRIATION	\$	279,973,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) If portions of the appropriations in this section are required to fund maintenance work resulting from major disasters not covered by federal emergency funds such as fire, flooding, and major slides, supplemental appropriations will be requested to restore state funding for ongoing maintenance activities.

(2) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall place an equal amount of the motor vehicle account—state into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION—PRESERVATION—PROGRAM P

Motor Vehicle Account—State Appropriation	\$	90,760,000
Motor Vehicle Account—Federal Appropriation	\$	318,795,000
Motor Vehicle Account—Private/Local		
Appropriation	\$	8,717,000
Multimodal Transportation Account—State		
Appropriation	\$	64,218,000
Multimodal Transportation Account—Federal		
Appropriation	\$	95,682,000
TOTAL APPROPRIATION	\$	578,172,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) If portions of the appropriations in this section are required to fund preservation work resulting from major disasters not covered by federal emergency

funds such as fire, flooding, and major slides, supplemental appropriations will be requested to restore state funding for ongoing maintenance activities.

(2) The motor vehicle account—state appropriation includes \$6,524,000 for earthquake repairs and to match federal emergency relief funds. This amount includes \$3,750,000 in proceeds from the sale of bonds authorized in RCW 47.10.761 and 47.10.762 for emergency purposes.

(3) The department of transportation is authorized to maximize the use of federal and state funds to implement the provisions of this section.

(4) \$471,763,000 of the total appropriation is provided for the construction phase of the preservation program.

(5) The motor vehicle account—federal appropriation and the multimodal transportation account—federal appropriation are transferable between each other to ensure efficient funds management and program delivery.

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING

Motor Vehicle Account—State Appropriation	\$	32,402,000
Motor Vehicle Account—Private/Local		
Appropriation	\$	125,000
TOTAL APPROPRIATION	\$	32,527,000

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL

Motor Vehicle Account—State Appropriation	\$	7,542,000
Motor Vehicle Account—Federal Appropriation	\$	16,678,000
TOTAL APPROPRIATION	\$	24,220,000

The appropriations in this section are subject to the following conditions and limitations and the specified amount is provided solely for that activity: The motor vehicle account—state appropriation includes \$2,986,000 for state matching funds for federally selected competitive grant or congressional earmark projects other than commercial vehicle information system and network (CVISN). These moneys shall be placed into reserve status until such time as federal funds are secured and a state match is required.

NEW SECTION. Sec. 224. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S

State Patrol Highway Account—State		
Appropriation	\$	926,000
Motor Vehicle Account—State Appropriation	\$	94,632,000
Motor Vehicle Account—Federal Appropriation	\$	2,654,000
Puget Sound Ferry Operations Account—		
State Appropriation	\$	6,642,000
Multimodal Transportation Account—State		

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Appropriation	\$	2,082,000
TOTAL APPROPRIATION	\$	106,936,000

NEW SECTION. Sec. 225. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T

Motor Vehicle Account—State Appropriation	\$	18,250,000
Motor Vehicle Account—Federal Appropriation	\$	18,800,000
Multimodal Transportation Account—State		
Appropriation	\$	987,000
Multimodal Transportation Account—Federal		
Appropriation	\$	2,000,000
TOTAL APPROPRIATION	\$	40,037,000

The appropriations in this section are subject to the following conditions and limitations and the specified amount is provided solely for that activity:

(1) The motor vehicle account—state appropriation includes \$1,000,000 distributed under RCW 46.68.110(2):

(a) \$500,000 of the distribution under RCW 46.68.110(2) is to be used solely by the department of transportation to collect and enter collision reports into the statewide collision reporting system for local roadway planning and safety analysis.

(b) \$500,000 of the distribution under RCW 46.68.110(2) is provided solely to the department of transportation for the Washington strategic freight transportation analysis. The department shall work with the transportation research center to conduct an origin and destination study to determine the impacts of trade-related truck traffic and other truck impacts on the highway system. The department may also conduct other research elements, including, but not limited to, freight corridor identification, strategic resource access, and road network review.

(2) \$6,754,000 of the motor vehicle account—state appropriation is provided for the implementation of Senate Bill No. 5749 in the form enacted by the legislature. If Senate Bill No. 5749 is not enacted in the form passed by the legislature by July 31, 2001, this funding shall lapse.

NEW SECTION. Sec. 226. FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Payments in this section represent charges from other state agencies to the department of transportation.

(1) FOR PAYMENT OF DEPARTMENT OF GENERAL ADMINISTRATION OFFICE OF RISK MANAGEMENT FEES

Motor Vehicle Account—State Appropriation	\$	464,000
Puget Sound Ferry Operations—State		
Appropriation	\$	154,000

(2) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR

Motor Vehicle Account—State Appropriation \$ 731,000

(3) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES

Motor Vehicle Account—State Appropriation \$ 4,128,000

(4) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL

Motor Vehicle Account—State Appropriation \$ 2,240,000

(5) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND ADMINISTRATION

Motor Vehicle Account—State Appropriation \$ 13,892,000

Motor Vehicle Fund—Puget Sound Ferry Operations Account—
State Appropriation \$ 4,204,000

The office of risk management shall evaluate the risk pool premium assessments to ensure that proper tracking, measuring, and reporting methods have been utilized to ensure funding equity has been maintained. "Funding equity" includes but is not limited to demonstrating that premiums assessed to the department of transportation will, over time, not exceed claims paid in order to ensure that premiums paid by the department of transportation are not unconstitutionally expended for nonhighway purposes. The office of risk management shall make a full report of its findings to the legislature no later than January 15, 2002.

(6) FOR PAYMENT OF COSTS OF OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

Motor Vehicle Account—State Appropriation \$ 251,000

(7) FOR PAYMENT OF THE DEPARTMENT OF GENERAL ADMINISTRATION CAPITAL PROJECTS SURCHARGE

Motor Vehicle Account—State Appropriation \$ 1,547,000

(8) FOR ARCHIVES AND RECORDS MANAGEMENT

Motor Vehicle Account—State Appropriation \$ 469,000

TOTAL APPROPRIATION \$ 28,080,000

NEW SECTION. Sec. 227. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

Multimodal Transportation Account—State
Appropriation \$ 11,160,000

Multimodal Transportation Account—Federal
Appropriation \$ 3,074,000

Multimodal Transportation Account—
Private/Local Appropriation \$ 205,000

TOTAL APPROPRIATION \$ 14,439,000

NEW SECTION. Sec. 228. FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Motor Vehicle Account—State		
Appropriation	\$	144,404,000
Motor Vehicle Account—Federal		
Appropriation	\$	37,472,000
Passenger Ferry Account—State Appropriation	\$	1,500,000
Passenger Ferry Account—Federal		
Appropriation	\$	4,000,000
TOTAL APPROPRIATION	\$	187,376,000

The appropriations in this section are provided for improving the Washington state ferry system, including, but not limited to, vessel acquisition, vessel construction, major and minor vessel improvements, and terminal construction and improvements. The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The motor vehicle account—state appropriation includes \$50,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead time materials acquisition for the Washington state ferries. The transportation commission may authorize the use of current revenues available to the motor vehicle account in lieu of bond proceeds for any part of the state appropriation.

(2) Appropriations in this section include funding for the purchase or lease-purchase of one passenger ferry and assume the proceeds of the sale of the MV Kalama and MV Skagit passenger ferries shall be deposited in the passenger ferry account.

(3) The department shall provide staff support to a legislative oversight committee that will manage a study of the Eagle Harbor maintenance facility. The legislative oversight committee shall consist of two members from each caucus in each house of the legislature, appointed by the leadership of the members' respective caucus. The department shall issue a request for proposals on behalf of the legislative oversight committee for an outside consulting firm to conduct a study on the preservation, replacement, or supplementation of the Eagle Harbor maintenance facility. The study must analyze: (a) The costs and benefits to preserve and maintain or relocate the facility; (b) the impact of Eagle Harbor employment on the local community and Kitsap county; and (c) a recommendation on future investment in the Eagle Harbor maintenance facility or possible alternatives. The contractor and the legislative oversight committee must report back to the legislature's transportation committees no later than December 10, 2002.

NEW SECTION. Sec. 229. FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

Puget Sound Ferry Operations Account—State

Appropriation \$ 321,673,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The appropriation is based on the budgeted expenditure of \$46,881,000 for vessel operating fuel in the 2001-2003 biennium. If the actual cost of fuel is less than this budgeted amount, the excess amount may not be expended. If the actual cost exceeds this amount, the department shall request a supplemental appropriation.

(2) The appropriation provides for the compensation of ferry employees. The expenditures for compensation paid to ferry employees during the 2001-2003 biennium may not exceed \$206,696,000 plus a dollar amount, as prescribed by the office of financial management, that is equal to any insurance benefit increase granted general government employees in excess of \$432.82 a month annualized per eligible marine employee multiplied by the number of eligible marine employees for the respective fiscal year, a dollar amount as prescribed by the office of financial management for costs associated with pension amortization charges, and a dollar amount prescribed by the office of financial management for salary increases during the 2001-2003 biennium. For the purposes of this section, the expenditures for compensation paid to ferry employees shall be limited to salaries and wages and employee benefits as defined in the office of financial management's policies, regulations, and procedures named under objects of expenditure "A" and "B" (7.2.6.2).

The prescribed salary and insurance benefit increase or decrease dollar amount that shall be allocated from the governor's compensation appropriations is in addition to the appropriation contained in this section and may be used to increase or decrease compensation costs, effective July 1, 2001, and thereafter, as established in the 2001-2003 general fund operating budget.

(3) The department shall issue a request for information from entities interested in purchasing advertising on board Washington state ferry vessels. The department shall evaluate the proposals and report back to the legislature's transportation committees in January 2002 regarding the potential for revenue from different types of advertising.

(4) The department may enter into contracts with private vendors to sell ferry tickets and medium at locations other than Washington state ferry terminals or facilities.

(a) The department may enter into the contracts only (i) with private vendors that are already established businesses offering goods for sale to the general public; and (ii) if it determines that the vendor's established location has the potential to serve a significant percentage of the customers using a particular ferry route.

(b) The department may adopt necessary rules and procedures to allow the use of credit and debit cards to purchase ferry tickets or medium from a private vendor who has contracted with the department to sell ferry tickets or medium. The

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department may establish a convenience fee to be paid by all persons purchasing ferry tickets and medium at locations other than Washington state ferry terminals or facilities. The convenience fee must be sufficient to offset the charges imposed on the department by the credit and debit card companies. In no event may the use of credit or debit cards authorized by this section create a loss of revenue to the state. The use of a personal credit card does not rely upon the credit of the state as prohibited by Article VIII, section 5 of the state Constitution.

(5) The legislature recognizes that projected revenues to the Puget Sound ferry operating account for the 2001-2003 biennium may be up to \$30,000,000 less than what is required to fund the appropriation provided in this section. The legislature intends to fully evaluate the extent of the shortfall and make a supplemental appropriation during the 2002 legislative session.

NEW SECTION. Sec. 230. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING
Multimodal Transportation Account—State

Appropriation \$ 32,704,000

NEW SECTION. Sec. 231. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL
Essential Rail Assistance Account—State

Appropriation \$ 200,000

Multimodal Transportation Account—State
 Appropriation \$ 11,610,000

Multimodal Transportation Account—Federal
 Appropriation \$ 9,630,000

Washington Fruit Express Account—State
 Appropriation \$ 500,000

TOTAL APPROPRIATION \$ 21,940,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for the Grays Harbor loop project.

NEW SECTION. Sec. 232. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation \$ 6,231,000

Motor Vehicle Account—Federal Appropriation \$ 2,569,000

Multimodal Transportation Account—State
 Appropriation \$ 150,000

TOTAL APPROPRIATION \$ 8,950,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The motor vehicle account—state appropriation includes \$150,000 distributed under RCW 46.68.110(2) that is provided to the Whatcom county council of governments for the sole purpose of developing and implementing a model of regional transportation governance. This model shall be developed in accordance with Recommendation 6 of the Blue Ribbon Commission on Transportation's final report.

The council shall develop a model that can be used in other parts of the state and shall report to the transportation committees in the senate and house of representatives on the positive and negative aspects of the model as well as costs associated with it no later than June 30, 2002.

(2) \$250,000 of the motor vehicle account—state appropriation is provided solely for a study of concurrency issues in urban areas marked by multiple contiguous jurisdictions. The study, lead by the city of Bellevue, will focus on the jurisdictions of Bellevue, Kirkland, Issaquah, and Redmond and will look at existing and unused methodologies for including development in neighboring jurisdictions in concurrency calculations. The study will also investigate what changes in state and local laws are needed in order to provide a more effective way of dealing with concurrency issues. By November 1, 2003, a report of the findings will be made to the transportation committees of the legislature. The appropriation in this subsection shall lapse unless the participating cities provide \$100,000 for the study.

(3) Up to \$500,000 of the motor vehicle account—state appropriation is provided solely for the study of alternatives for repairing or replacing the Seattle sea wall. The department's expenditure of funds provided in this subsection may not exceed the matching contribution provided by the city of Seattle for the study.

***NEW SECTION. Sec. 233. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL**

Motor Vehicle Account—State Appropriation	\$	77,371,000
Highway Infrastructure Account—State		
Appropriation	\$	234,000
Highway Infrastructure Account—Federal		
Appropriation	\$	1,500,000
Urban Arterial Trust Account—State		
Appropriation	\$	4,674,000
Multimodal Transportation Account—State		
Appropriation	\$	10,150,000
TOTAL APPROPRIATION	\$	93,929,000

The appropriations in this section are subject to the following conditions and limitations and specified amounts are provided solely for that activity:

(1) The highways and local programs division shall not administer or distribute federal transportation enhancement funds for the project known as East Lake Sammamish trail interim improvement - Issaquah to Redmond - until

interlocal agreements between King county and the cities of Sammamish, Redmond, and Issaquah have been finalized for the portions of the trail within each of these affected jurisdictions. These agreements shall address safety, security, public parking, design, public facilities, and public access to the trail, maintain King county as the lead agency on the development of the trail, and preserve the railbanking status of the railroad right-of-way according to federal law.

(2) \$10,000,000 of the multimodal transportation account—state appropriation is provided solely to fund the first phase of a multiphase cooperative project with the state of Oregon to dredge the Columbia river. The department shall not expend the appropriation in this section unless agreement on ocean disposal sites has been reached which protects the state's commercial crab fishery. The amount provided in this subsection shall lapse unless the state of Oregon appropriates a dollar-for-dollar match to fund its share of the project.

(3) The motor vehicle account—state appropriation includes \$12,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843 in addition to \$16,420,000 in unexpended proceeds from the January 2001 sale. The transportation commission may authorize the use of current revenues available to the department of transportation in lieu of bond proceeds for any part of the state appropriation.

(4) \$4,159,000 of the motor vehicle account—state appropriation is provided solely for additional small city pavement preservation program grants, to be administered by the department's highways and local programs division.

(5) \$2,000,000 of the motor vehicle account—state appropriation is provided solely for additional traffic and pedestrian safety improvements near schools. The highways and local programs division within the department of transportation shall administer this program.

*Sec. 233 was partially vetoed. See message at end of chapter.

TRANSPORTATION AGENCIES CAPITAL FACILITIES

NEW SECTION. Sec. 301. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State

Appropriation	\$	780,000
Motor Vehicle Account—State Appropriation	\$	2,705,000
TOTAL APPROPRIATION	\$	3,485,000

NEW SECTION. Sec. 302. The Washington state patrol is authorized to continue with the exchange of the Olympia, Washington Martin Way property for a light industrial land complex to be used to consolidate existing separately located state activities and functions. The agency will work with the office of financial management, department of general administration, the senate transportation committee, and the house of representatives transportation committee in the exchange and approval processes.

NEW SECTION. Sec. 303. FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM D (DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL

Motor Vehicle Account—State Appropriation \$ 13,046,000

TRANSFERS AND DISTRIBUTIONS

NEW SECTION. Sec. 401. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE FUND AND TRANSPORTATION FUND REVENUE

Highway Bond Retirement Account Appropriation \$ 207,900,000
 Ferry Bond Retirement Account Appropriation \$ 48,675,000
 Transportation Improvement Board Bond Retirement Account—State Appropriation \$ 40,856,000
 Motor Vehicle Account—State Appropriation \$ 4,537,000
 Special Category C Account—State Appropriation \$ 635,000
 Transportation Improvement Account—State Appropriation \$ 473,000
TOTAL APPROPRIATION \$ 303,076,000

NEW SECTION. Sec. 402. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

Motor Vehicle Account—State Appropriation \$ 450,000
 Special Category C Account Appropriation \$ 63,000
 Transportation Improvement Account—State Appropriation \$ 47,000
TOTAL APPROPRIATION \$ 560,000

NEW SECTION. Sec. 403. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account Appropriation for motor vehicle fuel tax refunds and distributions \$ 458,895,000
 Motor Vehicle Account Appropriation for motor vehicle fuel tax distributions to cities and counties \$ 428,546,000
 Motor Vehicle Account Appropriation for license, permit, and fee distribution to other accounts \$ 349,936,000

NEW SECTION. Sec. 404. STATUTORY APPROPRIATIONS. In addition to the amounts appropriated in this act for revenue for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system,

and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under any proper bond covenant made under law.

NEW SECTION. Sec. 405. The department of transportation is authorized to undertake federal advance construction projects under the provisions of 23 U.S.C. Sec. 115 in order to maintain progress in meeting approved highway construction and preservation objectives. The legislature recognizes that the use of state funds may be required to temporarily fund expenditures of the federal appropriations for the highway construction and preservation programs for federal advance construction projects prior to conversion to federal funding.

NEW SECTION. Sec. 406. FOR THE STATE TREASURER—TRANSFERS

(1) RV Account—State Appropriation:
 For transfer to the Motor Vehicle Fund—State \$ 1,135,000

The department of transportation shall only transfer funds provided under subsection (1) of this section on an as-needed basis.

(2) Public Transportation Systems Account—State Appropriation: For transfer to the Multimodal Transportation Account—State \$ 1,911,000

(3) State Patrol Highway Account—State Appropriation: For transfer to the Motor Vehicle Account \$ 38,657,000

If House Bill No. 2216 or Senate Bill No. 5078 is enacted in the form passed by the legislature, the \$38,737,000 transfer from the state patrol highway account—state to the motor vehicle account is null and void. If neither House Bill No. 2216 nor Senate Bill No. 5078 is enacted in the form passed by the legislature, the state treasurer shall transfer funds from the state patrol highway account to the motor vehicle account on a quarterly basis.

NEW SECTION. Sec. 407. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSFERS

(1) Motor Vehicle Fund—State Appropriation:
 For transfer to Puget Sound Ferry Operations Account \$ 27,000,000

(2) Advanced Right of Way Revolving Account
 Appropriation: For transfer to the Motor Vehicle Fund \$ 15,000,000

NEW SECTION. Sec. 408. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—TRANSFERS

Motor Vehicle Fund—State Patrol Highway Account:
 For transfer to the Department of Retirement

Systems Expense Fund \$ 211,000

PERFORMANCE BASED BUDGETING PROVISIONS

***NEW SECTION. Sec. 501.** *Transportation agencies shall continue to refine the following activities in order to establish a performance-based budgeting process for the 2003-05 biennial budget:*

(1) The department of licensing, the department of transportation, and the Washington state patrol, in cooperation with the office of financial management and the senate and house of representatives transportation committees, shall implement a performance budgeting process that provides a measurable link between agency objectives, service levels, and budget proposals. The agencies shall also develop indicators of performance, stated in terms of expected results, to measure the agencies' progress in achieving the agencies' goals.

(2) The transportation agencies shall submit a strategic plan with their agency request budgets. The strategic plan must include a six- year outlook and define and clarify the agency mission and vision, provide the basis for budget development, and outline the agency's goals and strategies. Furthermore, the strategic plan shall reflect agency priorities which formed the basis of the agencies' budget development.

(3) The transportation agencies shall establish performance indicators that measure activities and associated goals and strategies in the strategic plan. The agencies shall also provide a preferred level of performance over the next six years.

(4) The senate and house of representatives transportation committees, the office of financial management, and the transportation agencies shall establish the means of conducting program authorization reviews of all transportation programs. The reviews shall include:

(a) An agency self-assessment to judge the quality and usefulness of: (i) The agency's long-term strategic program goals; (ii) current organizational structure; (iii) program priorities and objectives; (iv) activities necessary to achieve program priorities and objectives; (v) service level criteria and performance targets of existing programs and activities; (vi) best practices by other states as a possible benchmark of the performance of their programs; and (vii) results or outcome measures as they relate to achievement of benchmarks given different funding levels;

(b) A review of the agency self-assessment and a report to the legislature; and

(e) A report which recommends whether to retain, eliminate, or modify funding and related statutory references for the agency. The parties conducting the review shall consider: (i) Whether the agency performance measures adequately measure the agency goals; (ii) whether the program performs efficiently and effectively, including comparisons with other jurisdictions, if applicable; (iii) whether there are other cost-effective alternative methods of accomplishing the program's mission; and (iv) whether there are any funds saved by the agency's performance.

(5) The transportation agencies shall each designate a program or programs to test the effectiveness of performance-based budgeting for the 2003-05 budget submittal period.

(6) Each agency shall submit a program list to the transportation committees of the house of representatives and senate and the office of financial management at the end of each fiscal year, which describes the functions of the program, the fund sources for the program, and the number of full-time equivalents, in addition to other performance targets of the program and their relationship to the agency strategic plan.

(7) The transportation agencies shall develop agency biennial budget requests at the agency budget program level, rather than the object level, and submit their biennial and supplemental budget requests to the office of financial management via a common budget system beginning July 1, 2003.

(8) The agencies shall input monthly their financial information and quarterly program performance measurements into the transportation executive information system and other systems as required by the office of financial management. The agencies shall report actuals to date against original allotments, in addition to plan to date. Original allotments may reflect supplemental budget changes as changed by the legislature and the governor.
*Sec. 501 was vetoed. See message at end of chapter.

PROVISIONS NECESSARY TO IMPLEMENT APPROPRIATIONS

Sec. 601. RCW 47.04.210 and 1997 c 94 s 1 are each amended to read as follows:

Federal funds that are administered by the department of transportation and are passed through to municipal corporations or political subdivisions of the state and moneys that are received as total reimbursement for goods, services, or projects constructed by the department of transportation are removed from the transportation budget. To process and account for these expenditures a new treasury trust account is created to be used for all department of transportation one hundred percent federal and local reimbursable transportation expenditures. This new account is nonbudgeted and nonappropriated. At the same time, federal and private local appropriations and full-time equivalents in subprograms R2, R3, T6, Y6, and Z2 processed through this new account are removed from the department of transportation's 1997-99 budget.

The department of transportation may make expenditures from the account before receiving federal and local reimbursements. However, at the end of each biennium, the account must maintain a zero or positive cash balance. In the twenty-fourth month of each biennium the department of transportation shall calculate and transfer sufficient cash from either the motor vehicle fund or the multimodal transportation (~~fund~~) account to cover any negative cash balances. The amount transferred is calculated based on expenditures from each fund. In addition, any interest charges accruing to the new account must be distributed to the motor vehicle fund and the multimodal transportation (~~fund~~) account.

The department of transportation shall provide an annual report to the legislative transportation committee and the office of financial management on expenditures and full-time equivalents processed through the new account. The report must also include recommendations for process changes, if needed.

Sec. 602. RCW 47.04.220 and 1997 c 94 s 2 are each amended to read as follows:

(1) The miscellaneous transportation programs account is created in the custody of the state treasurer.

(2) Moneys from the account may be used only for the costs of:

(a) Miscellaneous transportation services provided by the department that are reimbursed by other public and private entities;

(b) Local transportation projects for which the department is a conduit for federal reimbursement to a municipal corporation or political subdivision; or

(c) Other reimbursable activities as recommended by the legislative transportation committee and approved by the office of financial management.

(3) Moneys received as reimbursement for expenditures under subsection (2) of this section must be deposited into the account.

(4) No appropriation is required for expenditures from this account. This fund is not subject to allotment procedures provided under chapter 43.88 RCW.

(5) Only the secretary of transportation or the secretary's designee may authorize expenditures from the account.

(6) It is the intent of the legislature that this account maintain a zero or positive cash balance at the end of each biennium. Toward this purpose the department may make expenditures from the account before receiving reimbursements under subsection (2) of this section. Before the end of the biennium, the department shall transfer sufficient cash to cover any negative cash balances from the motor vehicle fund and the multimodal transportation ~~((funds))~~ account to the miscellaneous transportation programs account for unrecovered reimbursements. The department shall calculate the distribution of this transfer based on expenditures. In the ensuing biennium the department shall transfer the reimbursements received in the miscellaneous transportation programs account back to the motor vehicle fund and the multimodal transportation ~~((funds))~~ account to the extent of the cash transferred at biennium end. The department shall also distribute any interest charges accruing to the miscellaneous transportation programs account to the motor vehicle fund and the multimodal transportation ~~((funds))~~ account. Adjustments for any indirect cost recoveries may also be made at this time.

(7) The department shall provide an annual report to the legislative transportation committee and the office of financial management on the expenditures and full-time equivalents processed through the miscellaneous transportation programs account. The report must also include recommendations for changes to the process, if needed.

NEW SECTION. Sec. 603. The highways and local programs division of the Washington state department of transportation, the transportation improvement board, the county road administration board, the freight mobility strategic investment board, the association of Washington cities, and the Washington state association of counties shall establish and staff a joint task force that will develop recommendations to establish a one-stop funding center for state funded local grant programs. The task force shall report its recommendations to the legislature no later than December 1, 2001. The recommendations of the task force shall address the following:

- (1) Develop a memorandum of understanding that governs a multiagency grant council to coordinate state and federal grant efforts;
- (2) Develop a simplified grant application form that can be used by all local grant-seeking agencies;
- (3) Coordinate calls for local grant applications;
- (4) Increase awareness of state-funded local grant programs; and
- (5) Develop a process to forward applications to other appropriate state and federal funding programs.

NEW SECTION. Sec. 604. The senate transportation committee shall convene a task force to study the issues regarding abandoned vehicles, title transfers, license plate transfers, buyer and seller reports, and electronic availability of current vehicle owner information. The task force shall include the following members in addition to the department of licensing: The Washington state tow truck association; the Washington state auto dealers; the independent towers of Washington; the Washington state patrol; and representatives of two local law enforcement agencies.

The task force shall consider methods by which vehicle ownership changes can occur more expeditiously, including but not limited to the timing and completeness of the seller reporting the sale of a vehicle, methods to encourage buyers to retitle vehicles in a timely manner, and changes in the processing of abandoned vehicle reports to provide more timely access to registered owner information. The task force shall also consider who bears liability for abandoned vehicles as well as the issue of impounding a registered owner's car when someone other than the owner is driving.

NEW SECTION. Sec. 605. The joint legislative audit and review committee shall conduct a performance audit to evaluate the advantages and disadvantages of removing the aviation division from the department of transportation and creating a Washington state department of aviation. At a minimum the evaluation must include: (1) A survey of aviation division customers to determine whether the current aviation division meets the needs of those customers; (2) a comparison of procedures, regulations, and requirements of the Federal Aviation Administration and the Federal Highway Administration to determine if the federal laws governing the aviation division conflict with those governing the department of transportation; (3) an analysis of the department of transportation's

processes to determine whether the creation of a separate aviation department would result in a cost savings to the state; and (4) a financial analysis to determine if the aviation fuel tax, aircraft registration fees, and other revenue from aviation services would enable a separate aviation division to operate without additional state resources. The joint legislative audit and review committee must report its findings to the legislature and the office of financial management by December 1, 2002.

NEW SECTION. Sec. 606. A new section is added to chapter 47.01 RCW to read as follows:

The Washington fruit express account is created in the state treasury. All receipts from the operations of the Washington fruit express program must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the operations of the Washington fruit express program and for east-west passenger rail.

Sec. 607. RCW 43.84.092 and 2000 2nd sp.s. c 4 s 5 are each amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the drinking water assistance account, the Eastern Washington University capital projects account, the education construction fund, the emergency reserve fund, the federal forest revolving account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system plan 2 account, the Puyallup tribal settlement account, the resource management cost account, the site closure account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing

balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bend retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 608. RCW 43.84.092 and 2000 2nd sp.s. c 4 s 6 are each amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and

disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the drinking water assistance account, the Eastern Washington University capital projects account, the education construction fund, the emergency reserve fund, the federal forest revolving account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the Puyallup tribal settlement account, the resource management cost account, the site closure account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and

fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

NEW SECTION. Sec. 609. Notwithstanding the limitations of RCW 36.82.070 and 2001 c 221 s 3, county road funds may be used during this biennium beyond the county right-of-way for activities clearly associated with removal of fish passage barriers that are the responsibility of the county in the amount deemed appropriate by the county.

NEW SECTION. Sec. 610. Section 607 of this act expires March 1, 2002.

NEW SECTION. Sec. 611. Section 608 of this act takes effect March 1, 2002.

NEW SECTION. Sec. 612. 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.

Ch. 14 WASHINGTON LAWS, 2001 2nd Sp. Sess.

NEW SECTION. Sec. 613. Except for section 608 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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Passed the Senate June 21, 2001.

Passed the House June 21, 2001.

Approved by the Governor June 26, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State June 26, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 106; 210 (lines 10-13); 233(1); and 501 of Third Engrossed Substitute Senate Bill No. 5327 entitled:

"AN ACT Relating to transportation funding and appropriations;"

My reasons for vetoing these sections are as follows:

Section 106, Pages 3-4, Washington State Patrol Communications Study (Joint Legislative Audit and Review Committee)

This section would have provided \$50,000 from the State Patrol Highway Account to the Joint Legislative Audit and Review Committee for a study of the planning process and analysis employed by the Washington State Patrol in developing its 2001-03 budget request for replacement of its emergency communication system. The study as described in the proviso would have examined the planning process rather than the needs of the Patrol as they relate to statewide emergency communications. The Patrol has utilized the expertise of its employees and private sector engineers to establish a ten-year capital improvement plan for its outdated emergency communications system. Additional review of the planning process would serve only to delay real improvements to the system and would divert resources from more critical functions in the budget and fiscal and information technology offices of the State Patrol.

Section 210, Page 11, line 10 beginning with "The Washington state patrol..." through line 13, Electronic Services Off-Duty Vehicle Assignment (Washington State Patrol Support Services Bureau)

This proviso would have required the Washington State Patrol to allow electronic services field technicians to take home their assigned vehicle and equipment even though they may be off-duty. Currently, only on-call technicians are allowed to take home their vehicles and equipment. The agency has not experienced any adverse effect from the existing policy. The provision in this section would have required an additional \$200,000 each biennium for fuel, maintenance and vehicle replacement costs resulting from the increase in mileage due to off-duty personnel commuting to and from work. These increased costs cannot be carved out of the agency's existing budget, and no new funding was provided in the 2001-03 transportation budget.

Section 233(1), Page 24, East Lake Sammamish Trail Interim Improvement (Department of Transportation - Local Programs - Program Z - Capital)

This section would have directed the Washington State Department of Transportation to withhold federal transportation enhancement funds for the East Lake Sammamish Trail Interim Improvement Project until interlocal agreements are secured between King County and the cities of Sammamish, Redmond, and Issaquah. The transportation enhancement funds that were conditioned by this section are federal pass-through dollars designated for local agency transportation projects and programs. While the state plays an important role in selecting these types of projects for federal funding, I believe it would be inappropriate for the state to condition the receipt of these funds beyond the Local Agency Guidelines prepared specifically for the administration of these projects.

Section 501, Pages 30-31, Performance Based Budgeting Provisions

Section 501 would have outlined performance-based budgeting requirements for state transportation agencies. While I support performance-based budgeting and commend the Transportation Committees' interest, some elements of the criteria established in this section were inconsistent with current statewide budget and accounting standards. The Office of Financial Management is designated in the Budget, Accounting and Reporting Act as the agency responsible for establishing budget instructions and developing and maintaining statewide financial systems. The criteria in this section would have established additional and duplicative reporting requirements for transportation agencies. The creation of two separate tracks for the analysis of financial data would have made it impossible to provide consistent and connected statewide financial information. It is my expectation that agencies will continue to work with the Office of Financial Management and the legislative fiscal committees to develop and implement uniform performance-based budgeting reporting standards that will be applicable to all state agencies.

For these reasons, I have vetoed sections 106; 210 (lines 10-13); 233(1); and 501 of Third Engrossed Substitute Senate Bill No. 5327.

With the exception of sections 106; 210 (lines 10-13); 233(1); and 501, Third Engrossed Substitute Senate Bill No. 5327 is approved."

CHAPTER 15

[Engrossed House Bill 2230]

HEALTH BENEFITS—INCAPACITATED OR DISABLED PERSONS

AN ACT Relating to state health and employment support benefits for incapacitated or disabled individuals; reenacting and amending RCW 74.09.510; adding a new section to chapter 74.09 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that individuals with disabilities face many barriers and disincentives to employment. Individuals with disabilities are often unable to obtain health insurance that provides the services and supports necessary to allow them to live independently and enter or rejoin the work force. The legislature finds that there is a compelling public interest in eliminating barriers to work by continuing needed health care coverage for individuals with disabilities who enter and maintain employment.

The legislature intends to strengthen the state's policy of supporting individuals with disabilities in leading fully productive lives by supporting the implementation of the federal ticket to work and work incentives improvement act of 1999, Public Law 106-170. This shall include improving incentives to work by continuing coverage for health care and support services, by seeking federal funding for innovative programs, and by exploring options which provide

individuals with disabilities a choice in receiving services needed to obtain and maintain employment.

NEW SECTION. Sec. 2. A new section is added to chapter 74.09 RCW to read as follows:

(1) It is the intent of the legislature to remove barriers to employment for individuals with disabilities by providing medical assistance to the working disabled through a buy-in program in accordance with section 1902(a)(10)(A)(ii) of the social security act and eligibility and cost-sharing requirements established by the department.

(2) The department shall establish income, resource, and cost-sharing requirements for the buy-in program in accordance with federal law and any conditions or limitations specified in the omnibus appropriations act. The department shall establish and modify eligibility and cost-sharing requirements in order to administer the program within available funds. The department shall make every effort to coordinate benefits with employer-sponsored coverage available to the working disabled receiving benefits under this chapter.

Sec. 3. RCW 74.09.510 and 1997 c 58 s 201 and 1997 c 59 s 14 are each reenacted and amended to read as follows:

Medical assistance may be provided in accordance with eligibility requirements established by the department, as defined in the social security Title XIX state plan for mandatory categorically needy persons and: (1) Individuals who would be eligible for cash assistance except for their institutional status; (2) individuals who are under twenty-one years of age, who would be eligible for temporary assistance for needy families, but do not qualify as dependent children and who are in (a) foster care, (b) subsidized adoption, (c) a nursing facility or an intermediate care facility for the mentally retarded, or (d) inpatient psychiatric facilities; (3) the aged, blind, and disabled who: (a) Receive only a state supplement, or (b) would not be eligible for cash assistance if they were not institutionalized; (4) categorically eligible individuals who meet the income and resource requirements of the cash assistance programs; (5) individuals who are enrolled in managed health care systems, who have otherwise lost eligibility for medical assistance, but who have not completed a current six-month enrollment in a managed health care system, and who are eligible for federal financial participation under Title XIX of the social security act; (6) children and pregnant women allowed by federal statute for whom funding is appropriated; (7) working individuals with disabilities authorized under section 1902(a)(10)(A)(ii) of the social security act for whom funding is appropriated; (8) other individuals eligible for medical services under RCW 74.09.035 and 74.09.700 for whom federal financial participation is available under Title XIX of the social security act; and ~~((8))~~ (9) persons allowed by section 1931 of the social security act for whom funding is appropriated.

****NEW SECTION. Sec. 4. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2001, in the omnibus appropriations act, this act is null and void.***

*Sec. 4 was vetoed. See message at end of chapter.

Passed the House June 20, 2001.

Passed the Senate June 20, 2001.

Approved by the Governor July 11, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 11, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 4, Engrossed House Bill No. 2230 entitled:

"AN ACT Relating to state health and employment support benefits for incapacitated or disabled individuals;"

Engrossed House Bill No. 2230 changes state law as necessary to comply with the federal Ticket to Work and Work Incentives Improvement Act of 1999. It will allow the Department of Social and Health Services to continue medical coverage for individuals with disabilities who go to work.

However, section 4 of the bill would have rendered the entire act null and void unless specific funding, referencing the act by bill or chapter number, was included in the omnibus appropriations act. The omnibus appropriations act contains the necessary funding, but without a specific reference to the bill. Without a veto of section 4, the bill would have been rendered null and void.

For these reasons, I have vetoed section 4 of Engrossed House Bill No. 2230.

With the exception of section 4, Engrossed House Bill No. 2230 is approved."

CHAPTER 16

[Engrossed Substitute Senate Bill 5237]

FAIR FUND

AN ACT Relating to the fair fund; amending RCW 15.76.115; and making an appropriation.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 15.76.115 and 1998 c 345 s 2 are each amended to read as follows:

The fair fund is created in the custody of the state treasury. All moneys received by the department of agriculture for the purposes of this fund and from RCW 67.16.105(4) shall be deposited into the fund. At the beginning of fiscal year 2002 and each fiscal year thereafter, the state treasurer shall transfer into the fair fund from the general fund the sum of two million dollars. Expenditures from the fund may be used only for assisting fairs in the manner provided in this chapter. Only the director of agriculture or the director's designee may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

NEW SECTION. **Sec. 2.** The sum of one hundred thousand dollars is appropriated for the fiscal year ending June 30, 2002, from the general fund to the fair fund to be used for special assistance as provided for in RCW 15.76.150.

Passed the Senate June 6, 2001.
Passed the House June 19, 2001.
Approved by the Governor July 13, 2001.
Filed in Office of Secretary of State July 13, 2001.

CHAPTER 17

[Substitute Senate Bill 5496]

TAXATION—ANIMAL HEALTH PRODUCTS

AN ACT Relating to tax rate modifications for animal health products; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales to farmers or to veterinarians of animal pharmaceuticals approved by the United States department of agriculture or by the United States food and drug administration, if the pharmaceutical is to be administered to an animal that is raised by a farmer for the purpose of producing for sale an agricultural product.

(2) The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(3) For the purposes of this section and section 2 of this act, the following definitions apply:

(a) "Farmer" and "agricultural product" mean the same as in RCW 82.04.213.

(b) "Veterinarian" means a person who is licensed to practice veterinary medicine, surgery, or dentistry under chapter 18.92 RCW.

NEW SECTION. Sec. 2. A new section is added to chapter 82.12 RCW to read as follows:

(1) The provisions of this chapter do not apply with respect to the use by farmers or by veterinarians of animal pharmaceuticals approved by the United States department of agriculture or by the United States food and drug administration, if the pharmaceutical is administered to an animal that is raised by a farmer for the purpose of producing for sale an agricultural product.

(2) The definitions in section 1 of this act apply to this section.

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 August 1, 2001.

Passed the Senate June 14, 2001.
Passed the House June 20, 2001.
Approved by the Governor July 13, 2001.
Filed in Office of Secretary of State July 13, 2001.

CHAPTER 18

[Second Substitute Senate Bill 5947]

TAXATION—DAIRY NUTRIENT MANAGEMENT

AN ACT Relating to tax exemptions for dairy farmers and anaerobic digesters; adding new sections to chapter 82.08 RCW; adding new sections to chapter 82.12 RCW; creating a new section; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. It is the intent of the legislature to provide tax exemptions to assist dairy farmers to comply with the dairy nutrient management act, chapter 90.64 RCW, and to assist public or private entities to establish and operate anaerobic digesters to treat dairy nutrients on a regional or on-farm basis.

NEW SECTION. Sec. 2. A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales to eligible persons of services rendered in respect to operating, repairing, cleaning, altering, or improving of dairy nutrient management equipment and facilities, or to sales of tangible personal property that becomes an ingredient or component of the equipment and facilities. The equipment and facilities must be used exclusively for activities necessary to maintain a dairy nutrient management plan as required under chapter 90.64 RCW. This exemption applies to sales made after the dairy nutrient management plan is certified under chapter 90.64 RCW.

(2)(a) The department of revenue must provide an exemption certificate to an eligible person upon application by that person. The department of agriculture must provide a list of eligible persons to the department of revenue. The application must be in a form and manner prescribed by the department and must contain information regarding the location of the dairy and other information the department may require.

(b) The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(3) The definitions in this subsection apply to this section and section 3 of this act unless the context clearly requires otherwise:

(a) "Dairy nutrient management equipment and facilities" means machinery, equipment, and structures used in the handling and treatment of dairy manure, such as aerators, agitators, alley scrapers, augers, dams, gutter cleaners, loaders, lagoons, pipes, pumps, separators, and tanks. The term also includes tangible personal property that becomes an ingredient or component of the equipment and facilities, including repair and replacement parts.

(b) "Eligible person" means a person licensed to produce milk under chapter 15.36 RCW who has a certified dairy nutrient management plan by December 31, 2003, as required by chapter 90.64 RCW.

NEW SECTION. Sec. 3. A new section is added to chapter 82.12 RCW to read as follows:

The provisions of this chapter do not apply with respect to the use by an eligible person of tangible personal property that becomes an ingredient or component of dairy nutrient management equipment and facilities, as defined in section 2 of this act. The equipment and facilities must be used exclusively for activities necessary to maintain a dairy management plan as required under chapter 90.64 RCW. This exemption applies to the use of tangible personal property made after the dairy nutrient management plan is certified under chapter 90.64 RCW. The exemption certificate and recordkeeping requirements of section 2 of this act apply to this section.

NEW SECTION. Sec. 4. A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales to an eligible person establishing or operating an anaerobic digester or to services rendered in respect to installing, constructing, repairing, cleaning, altering, or improving an anaerobic digester, or to sales of tangible personal property that becomes an ingredient or component of the anaerobic digester. The anaerobic digester must be used primarily to treat dairy manure.

(2)(a) The department of revenue must provide an exemption certificate to an eligible person upon application by that person. The application must be in a form and manner prescribed by the department and must contain information regarding the location of the facility and other information as the department may require.

(b) The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(3) The definitions in this subsection apply to this section and section 5 of this act unless the context clearly requires otherwise:

(a) "Anaerobic digester" means a facility that processes manure from cattle into biogas and dried manure using microorganisms in a decomposition process within a closed, oxygen-free container.

(b) "Eligible person" means any person establishing or operating an anaerobic digester to treat primarily dairy manure.

(c) "Primarily" means more than fifty percent measured by volume or weight.

NEW SECTION. Sec. 5. A new section is added to chapter 82.12 RCW to read as follows:

The provisions of this chapter do not apply with respect to the use of anaerobic digesters or tangible personal property that becomes an ingredient or component of anaerobic digesters to treat primarily dairy manure by an eligible person establishing or operating an anaerobic digester, as defined in section 4 of this act.

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

Ch. 18 WASHINGTON LAWS, 2001 2nd Sp. Sess.

Passed the Senate June 19, 2001.
Passed the House June 20, 2001.
Approved by the Governor July 13, 2001.
Filed in Office of Secretary of State July 13, 2001.

CHAPTER 19

[Engrossed Substitute Senate Bill 5919]

WATER STORAGE PROJECTS

AN ACT Relating to the assessment of potential site locations for water storage projects; amending RCW 90.82.070; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature recognizes the potential for additional water storage as a solution to the water supply needs of the state. Last year the legislature created a task force to examine the role of increased water storage in providing water supplies to meet the needs of fish, population growth, and economic development, and to enhance the protection of people's lives and their property and the protection of aquatic habitat through flood control facilities. One solution discussed by the task force to address the state's water supply problem is to store water when there is excess runoff and stream flow, and deliver or release it during the low flow period when it is needed. The task force discussed the need for assessments of potential site locations for water storage projects. The legislature intends this act to assist in obtaining the assessments relating to water storage.

Sec. 2. RCW 90.82.070 and 1998 c 247 s 3 are each amended to read as follows:

Watershed planning under this chapter shall address water quantity in the management area by undertaking an assessment of water supply and use in the management area and developing strategies for future use.

(1) The assessment shall include:

(a) An estimate of the surface and ground water present in the management area;

(b) An estimate of the surface and ground water available in the management area, taking into account seasonal and other variations;

(c) An estimate of the water in the management area represented by claims in the water rights claims registry, water use permits, certificated rights, existing minimum instream flow rules, federally reserved rights, and any other rights to water;

(d) An estimate of the surface and ground water actually being used in the management area;

(e) An estimate of the water needed in the future for use in the management area;

(f) An identification of the location of areas where aquifers are known to recharge surface bodies of water and areas known to provide for the recharge of aquifers from the surface; and

(g) An estimate of the surface and ground water available for further appropriation, taking into account the minimum instream flows adopted by rule or to be adopted by rule under this chapter for streams in the management area including the data necessary to evaluate necessary flows for fish.

(2) Strategies for increasing water supplies in the management area, which may include, but are not limited to, increasing water supplies through water conservation, water reuse, the use of reclaimed water, voluntary water transfers, aquifer recharge and recovery, additional water allocations, or additional water storage and water storage enhancements. The objective of these strategies is to supply water in sufficient quantities to satisfy the minimum instream flows for fish and to provide water for future out-of-stream uses for water identified in subsection (1)(e) and (g) of this section and to ensure that adequate water supplies are available for agriculture, energy production, and population and economic growth under the requirements of the state's growth management act, chapter 36.70A RCW. These strategies, in and of themselves, shall not be construed to confer new water rights. The watershed plan must address the strategies required under this subsection.

(3) The assessment may include the identification of potential site locations for water storage projects. The potential site locations may be for either large or small projects and cover the full range of possible alternatives. The possible alternatives include off-channel storage, underground storage, the enlargement or enhancement of existing storage, and on-channel storage.

Passed the Senate June 6, 2001.

Passed the House June 20, 2001.

Approved by the Governor July 13, 2001.

Filed in Office of Secretary of State July 13, 2001.

CHAPTER 20

[Second Engrossed Senate Bill 5686]

ACADEMIC ASSESSMENT TIMELINES

AN ACT Relating to changing academic assessments timelines; and amending RCW 28A.655.060.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.655.060 and 1999 c 373 s 501 are each amended to read as follows:

(1) The Washington commission on student learning is hereby established. The primary purposes of the commission are to identify the knowledge and skills all public school students need to know and be able to do based on the student learning goals in RCW 28A.150.210, to develop student assessment and school accountability systems, to review current school district data reporting requirements and make recommendations on what data is necessary for the

purposes of accountability and meeting state information needs, and to take other steps necessary to develop a performance-based education system. The commission shall include three members of the state board of education, three members appointed by the governor before July 1, 1992, and five members appointed no later than June 1, 1993, by the governor elected in the November 1992 election. The governor shall appoint a chair from the commission members, and fill any vacancies in gubernatorial appointments that may occur. The state board of education shall fill any vacancies of state board of education appointments that may occur. In making the appointments, educators, business leaders, and parents shall be represented, and nominations from statewide education, business, and parent organizations shall be requested. Efforts shall be made to ensure that the commission reflects the racial and ethnic diversity of the state's K-12 student population and that the major geographic regions in the state are represented. Appointees shall be qualified individuals who are supportive of educational restructuring, who have a positive record of service, and who will devote sufficient time to the responsibilities of the commission to ensure that the objectives of the commission are achieved.

(2) The commission shall establish advisory committees. Membership of the advisory committees shall include, but not necessarily be limited to, professionals from the office of the superintendent of public instruction and the state board of education, and other state and local educational practitioners and student assessment specialists.

(3) The commission, with the assistance of the advisory committees, shall:

(a) Develop essential academic learning requirements based on the student learning goals in RCW 28A.150.210. Essential academic learning requirements shall be developed, to the extent possible, for each of the student learning goals in RCW 28A.150.210. Goals one and two shall be considered primary. Essential academic learning requirements for RCW 28A.150.210(1), goal one, and the mathematics component of RCW 28A.150.210(2), goal two, shall be completed no later than March 1, 1995. Essential academic learning requirements that incorporate the remainder of RCW 28A.150.210 (2), (3), and (4), goals two, three, and four, shall be completed no later than March 1, 1996. To the maximum extent possible, the commission shall integrate goal four and the knowledge and skill areas in the other goals in the development of the essential academic learning requirements;

(b)(i) The commission and superintendent of public instruction shall develop a statewide academic assessment system for use in the elementary, middle, and high school years designed to determine if each student has learned the essential academic learning requirements identified in (a) of this subsection. The academic assessment system shall include a variety of assessment methods, including criterion-referenced and performance-based measures. Performance standards for determining if a student has successfully completed an assessment shall be determined by the commission and the superintendent of public instruction in

consultation with the advisory committees required in subsection (2) of this section.

(ii) The assessment system shall be designed so that the results under the assessment system are used by educators as tools to evaluate instructional practices, and to initiate appropriate educational support for students who have not learned the essential academic learning requirements at the appropriate periods in the student's educational development.

(iii) Assessments measuring the essential academic learning requirements shall be available for voluntary use by school districts and shall be required to be administered by school districts according to the following schedule unless the legislature takes action to delay or prevent implementation of the assessment system and essential academic learning requirements.

	Assessments available for voluntary use (School years)	Assessments required to be administered (School years)
Reading, Writing, Communication, Mathematics		
- Elementary school	1996-97	1997-98
- Middle school	1997-98	2000-01
- High school	1998-99	2000-01
Science		
- ((Middle and)) High school	((1999-00)) <u>2002-03</u>	((2000-01)) <u>2003-04</u>
- <u>Middle school</u>	<u>2002-03</u>	<u>2003-04</u>
- Elementary school	((2001-02)) <u>2003-04</u>	2004-05
Social Studies		
- Elementary, middle, and high school	((2002-03)) <u>2004-05</u>	((2005-06)) <u>2007-08</u>
Arts		
- Middle and high school	((2003-04)) <u>2005-06</u>	((2006-07)) <u>2008-09</u>
- Elementary school	((2003-04)) <u>2005-06</u>	((2007-08)) <u>2009-10</u>
Health, Fitness		
- Middle and high school	((2003-04)) <u>2005-06</u>	((2006-07)) <u>2008-09</u>
- Elementary school	((2003-04)) <u>2005-06</u>	((2007-08)) <u>2009-10</u>

The completed assessments and assessments still in development shall be transferred by the commission on student learning to the superintendent of public instruction by June 30, 1999.

(iv) To the maximum extent possible, the commission and the superintendent of public instruction shall integrate knowledge and skill areas in development of the assessments.

Assessments for goals three and four of RCW 28A.150.210 shall be integrated in the essential academic learning requirements and assessments for goals one and two.

(v) The commission on student learning may modify the essential academic learning requirements and the assessments, as needed, before June 30, 1999. The superintendent of public instruction may modify the essential academic learning requirements and the assessments, as needed, after June 30, 1999. The commission and superintendent shall, upon request, provide opportunities for the education committees of the house of representatives and the senate to review the assessments and proposed modifications to the essential academic learning requirements before the modifications are adopted.

(vi) The commission and the superintendent of public instruction shall develop assessments that are directly related to the essential academic learning requirements, and are not biased toward persons with different learning styles, racial or ethnic backgrounds, or on the basis of gender;

(c) After a determination is made by the state board of education that the high school assessment system has been implemented and that it is sufficiently reliable and valid, successful completion of the high school assessment shall lead to a certificate of mastery. The certificate of mastery shall be obtained by most students at about the age of sixteen, and is evidence that the student has successfully mastered the essential academic learning requirements during his or her educational career. The certificate of mastery shall be required for graduation but shall not be the only requirement for graduation. The commission shall make recommendations to the state board of education regarding the relationship between the certificate of mastery and high school graduation requirements. Upon achieving the certificate of mastery, schools shall provide students with the opportunity to pursue career and educational objectives through educational pathways that emphasize integration of academic and vocational education. Educational pathways may include, but are not limited to, programs such as work-based learning, school-to-work transition, tech prep, vocational-technical education, running start, and preparation for technical college, community college, or university education. Any middle school, junior high school, or high school using educational pathways shall ensure that all participating students will continue to have access to the courses and instruction necessary to meet admission requirements at baccalaureate institutions. Students shall be allowed to enter the educational pathway of their choice. Before accepting a student into an educational pathway, the school shall inform the student's parent of the pathway chosen, the opportunities available to the student through the pathway, and the career objectives the student will have exposure to while pursuing the pathway. Parents and students dissatisfied with the opportunities available through the selected educational pathway shall be provided with the opportunity to transfer the

student to any other pathway provided in the school. Schools may not develop educational pathways that retain students in high school beyond the date they are eligible to graduate, and may not require students who transfer between pathways to complete pathway requirements beyond the date the student is eligible to graduate;

(d) Consider methods to address the unique needs of special education students when developing the assessments in (b) and (c) of this subsection;

(e) Consider methods to address the unique needs of highly capable students when developing the assessments in (b) and (c) of this subsection;

(f) Develop recommendations on the time, support, and resources, including technical assistance, needed by schools and school districts to help students achieve the essential academic learning requirements. These recommendations shall include an estimate for the legislature, superintendent of public instruction, and governor on the expected cost of implementing the academic assessment system;

(g) Develop recommendations for consideration by the higher education coordinating board for adopting college and university entrance requirements for public school students that are consistent with the essential academic learning requirements and the certificate of mastery;

(h) Review current school district data reporting requirements for the purposes of accountability and meeting state information needs. The commission on student learning shall report recommendations to the joint select committee on education restructuring by September 15, 1996, on:

(i) What data is necessary to compare how school districts are performing before the essential academic learning requirements and the assessment system are implemented with how school districts are performing after the essential academic learning requirements and the assessment system are implemented; and

(ii) What data is necessary pertaining to school district reports under the accountability systems developed by the commission on student learning under this section;

(i) Recommend to the legislature, governor, state board of education, and superintendent of public instruction:

(i) A statewide accountability system to monitor and evaluate accurately and fairly at elementary, middle, and high schools the level of learning occurring in individual schools and school districts with regard to the goals included in RCW 28A.150.210 (1) through (4). The accountability system must assess each school individually against its own baseline, schools with similar characteristics, and schools statewide. The system shall include school-site, school district, and state-level accountability reports;

(ii) A school assistance program to help schools and school districts that are having difficulty helping students meet the essential academic learning requirements as measured by performance on the elementary, middle school, and high school assessments;

(iii) A system to intervene in schools and school districts in which significant numbers of students persistently fail to learn the essential academic learning requirements or meet the standards established for the elementary, middle school, and high school assessments; and

(iv) An awards program to provide incentives to school staff to help their students learn the essential academic learning requirements, with each school being assessed individually against its own baseline, schools with similar characteristics, and the statewide average. Incentives shall be based on the rate of percentage change of students achieving the essential academic learning requirements and progress on meeting the statewide average. School staff shall determine how the awards will be spent.

The commission shall make recommendations regarding a statewide accountability system for reading in grades kindergarten through four by November 1, 1997. Recommendations for an accountability system in the other subject areas and grade levels shall be made no later than June 30, 1999;

(j) Report annually by December 1st to the legislature, the governor, the superintendent of public instruction, and the state board of education on the progress, findings, and recommendations of the commission; and

(k) Make recommendations to the legislature and take other actions necessary or desirable to help students meet the student learning goals.

(4) The commission shall coordinate its activities with the state board of education and the office of the superintendent of public instruction.

(5) The commission shall seek advice broadly from the public and all interested educational organizations in the conduct of its work, including holding periodic regional public hearings.

(6) The commission shall select an entity to provide staff support and the office of the superintendent of public instruction shall provide administrative oversight and be the fiscal agent for the commission. The commission may direct the office of the superintendent of public instruction to enter into subcontracts, within the commission's resources, with school districts, teachers, higher education faculty, state agencies, business organizations, and other individuals and organizations to assist the commission in its deliberations.

(7) Members of the commission shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(8)(a) By September 30, 1997, the commission on student learning, the state board of education, and the superintendent of public instruction shall jointly present recommendations to the education committees of the house of representatives and the senate regarding the high school assessments, the certificate of mastery, and high school graduation requirements.

In preparing recommendations, the commission on student learning shall convene an ad hoc working group to address questions, including:

(i) What type of document shall be used to identify student performance and achievement and how will the document be described?

(ii) Should the students be required to pass the high school assessments in all skill and content areas, or only in select skill and content areas, to graduate?

(iii) How will the criteria for establishing the standards for passing scores on the assessments be determined?

(iv) What timeline should be used in phasing-in the assessments as a graduation requirement?

(v) What options may be used in demonstrating how the results of the assessments will be displayed in a way that is meaningful to students, parents, institutions of higher education, and potential employers?

(vi) Are there other or additional methods by which the assessments could be used to identify achievement such as endorsements, standards of proficiency, merit badges, or levels of achievement?

(vii) Should the assessments and certificate of mastery be used to satisfy college or university entrance criteria for public school students? If yes, how should these methods be phased-in?

(b) The ad hoc working group shall report its recommendations to the commission on student learning, the state board of education, and the superintendent of public instruction by June 15, 1997. The commission shall report the ad hoc working group's recommendations to the education committees of the house of representatives and senate by July 15, 1997. Final recommendations of the commission on student learning, the state board of education, and the superintendent of public instruction shall be presented to the education committees of the house of representatives and the senate by September 30, 1997.

(9) The Washington commission on student learning shall expire on June 30, 1999.

Passed the Senate June 6, 2001.

Passed the House June 19, 2001.

Approved by the Governor July 13, 2001.

Filed in Office of Secretary of State July 13, 2001.

CHAPTER 21

[Engrossed Senate Bill 6198]

CIGARETTE TAX CONTRACTS

AN ACT Relating to contracts concerning the sale of cigarettes; and amending RCW 43.06.—.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.06.— and 2001 c 235 s 3 are each amended to read as follows:

(1) The governor is authorized to enter into cigarette tax contracts with the Squaxin Island Tribe, the Nisqually Tribe, Tulalip Tribes, the Muckleshoot Indian Tribe, the Quinault Nation, the Jamestown S'Klallam Indian Tribe, the Port Gamble S'Klallam Tribe, the Stillaguamish Tribe, the Sauk-Suiattle Tribe, the Skokomish Indian Tribe, ~~the Yakama Nation, the Suquamish Tribe,~~ the Nooksack Indian Tribe, the Lummi Nation, the Chehalis Confederated Tribes, and the Upper

Skagit Tribe. Each contract adopted under this section shall provide that the tribal cigarette tax rate be one hundred percent of the state cigarette and state and local sales and use taxes within three years of enacting the tribal tax and shall be set no lower than eighty percent of the state cigarette and state and local sales and use taxes during the three-year phase-in period. The three-year phase-in period shall be shortened by three months each quarter the number of cartons of nontribal manufactured cigarettes is at least ten percent or more than the quarterly average number of cartons of nontribal manufactured cigarettes from the six-month period preceding the imposition of the tribal tax under the contract. Sales at a retailer operation not in existence as of the date a tribal tax under this section is imposed are subject to the full rate of the tribal tax under the contract. The tribal cigarette tax is in lieu of the state cigarette and state and local sales and use taxes, as provided in RCW 43.06.—(3) (section 2, chapter 235, Laws of 2001).

(2) A cigarette tax contract under this section is subject to RCW 43.06.—(section 2, chapter 235, Laws of 2001).

Passed the Senate June 19, 2001.

Passed the House June 20, 2001.

Approved by the Governor July 13, 2001.

Filed in Office of Secretary of State July 13, 2001.

CHAPTER 22

[Engrossed Senate Bill 6194]

GRAYS HARBOR PILOTAGE DISTRICT

AN ACT Relating to authorizing the provision of pilotage services in the Grays Harbor pilotage district by port districts; adding new sections to chapter 53.08 RCW; creating a new section; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 53.08 RCW to read as follows:

A countywide port district located in part or in whole within the Grays Harbor pilotage district, as defined by RCW 88.16.050(2), may commence pilotage service with the following powers and subject to the conditions contained in this section.

(1) Persons employed to perform the pilotage service of a port district must be licensed under chapter 88.16 RCW to provide pilotage.

(2) Before establishing pilotage service, a port district shall give at least sixty days' written notice to the chairman of the board of pilotage commissioners to provide pilotage.

(3) A port district providing pilotage service under this section requiring additional pilots may petition the board of pilotage commissioners to qualify and license as a pilot a person who has passed the examination and is on the waiting list for the training program for the district. If there are no persons on the waiting list, the board shall solicit applicants and offer the examination.

(4) In addition to the power to employ or contract with pilots, a port district providing pilotage services under this section has such other powers as are reasonably necessary to accomplish the purpose of this section including, but not limited to, providing through ownership or contract pilots launches, dispatcher services, or ancillary tug services required for operations or safety.

(5) A port district providing pilotage services under this section may recommend to the board of pilotage commissioners rules of service, rates, and tariffs governing its pilotage services for consideration and adoption pursuant to RCW 88.16.035. The rules, rates, and tariffs recommended by the port district must have been approved in open meetings of the port district ten or more days after published notice in a newspaper of general circulation and after mailing a copy of the notice to the chairman of the board of pilotage commissioners.

(6) A pilot providing pilotage services under this section must comply with all requirements of the pilotage act, chapter 88.16 RCW, and all rules adopted thereunder.

***NEW SECTION.** *Sec. 2. A new section is added to chapter 53.08 RCW to read as follows:*

The joint legislative audit and review committee shall study the authorization for the provision of pilotage services in the Grays Harbor pilotage district and issue a report to the house of representatives and senate transportation committees no later than June 30, 2006. Specifically, the joint legislative audit and review committee shall review whether the provisions of this act continue to ensure safe pilotage in the Grays Harbor port, whether there was a shortage of pilots, whether shipping has declined since the effective date of this act, and whether other ports have indicated an interest in providing pilotage services.

**Sec. 2 was vetoed. See message at end of chapter.*

NEW SECTION. *Sec. 3. Nothing in this act is intended to amend chapter 88.16 RCW.*

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

Passed the Senate June 19, 2001.

Passed the House June 20, 2001.

Approved by the Governor July 13, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 13, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 2, Engrossed Senate Bill No. 6194 entitled:

"AN ACT Relating to authorizing the provision of pilotage services in the Grays Harbor pilotage district by port districts;"

Engrossed Senate Bill No. 6194 authorizes the Port of Grays Harbor to undertake pilotage services under certain conditions. This bill will help ensure the safe passage of maritime traffic in the Grays Harbor pilotage district when no private sector pilots are available.

Section 2 of the bill mandates a study of this authorization by the Joint Legislative Audit and Review Committee. Although a review of the provisions and effectiveness of this act should be undertaken, the scope of the study is too broad. It specifically requests that the committee investigate whether *other* ports have indicated an interest in providing pilotage services, suggesting that we might consider the provision of pilotage services by ports other than Grays Harbor.

In the case of Grays Harbor, it is clear that the private sector is no longer able to adequately provide this essential public service. However, there is no evidence to suggest that the public needs to provide these services in any other area. The public sector should not unnecessarily displace functioning private sector businesses.

For these reasons I have vetoed section 2 of Engrossed Senate Bill No. 6194.

With the exception of section 2, Engrossed Senate Bill No. 6194 is approved."

CHAPTER 23

[Substitute House Bill 1624]

HEALTH OR SOCIAL WELFARE SERVICES—TAX DEDUCTION

AN ACT Relating to the business and occupation tax deduction for health or social welfare services as applied to government-funded health benefits paid through managed care organizations; amending RCW 82.04.4297; creating new sections; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the deduction under the business and occupation tax statutes for compensation from public entities for health or social welfare services was intended to provide government with greater purchasing power when government provides financial support for the provision of health or social welfare services to benefited classes of persons. The legislature also finds that both the legislature and the United States congress have in recent years modified government-funded health care programs to encourage participation by beneficiaries in highly regulated managed care programs operated by persons who act as intermediaries between government entities and health or social welfare organizations. The legislature further finds that the objective of these changes is again to extend the purchasing power of scarce government health care resources, but that this objective would be thwarted to a significant degree if the business and occupation tax deduction were lost by health or social welfare organizations solely on account of their participation in managed care for government-funded health programs. In keeping with the original purpose of the health or social welfare deduction, it is desirable to ensure that compensation received from government sources through contractual managed care programs also be deductible.

Sec. 2. RCW 82.04.4297 and 1988 c 67 s 1 are each amended to read as follows:

In computing tax there may be deducted from the measure of tax amounts received from the United States or any instrumentality thereof or from the state of Washington or any municipal corporation or political subdivision thereof as compensation for, or to support, health or social welfare services rendered by a health or social welfare organization or by a municipal corporation or political subdivision, except deductions are not allowed under this section for amounts that

are received under an employee benefit plan. For purposes of this section, "amounts received from" includes amounts received by a health or social welfare organization that is a nonprofit hospital or public hospital from a managed care organization or other entity that is under contract to manage health care benefits for the federal medicare program authorized under Title XVIII of the federal social security act; for a medical assistance, children's health, or other program authorized under chapter 74.09 RCW; or for the state of Washington basic health plan authorized under chapter 70.47 RCW, to the extent that these amounts are received as compensation for health care services within the scope of benefits covered by the pertinent government health care program.

****NEW SECTION. Sec. 3. This act applies to taxes collected after the effective date of this act, including taxes collected on reporting periods prior to the effective date of this act.***

**Sec. 3 was vetoed. See message at end of chapter.*

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

Passed the House June 4, 2001.

Passed the Senate June 14, 2001.

Approved by the Governor July 13, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 13, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 3, Substitute House Bill No. 1624 entitled:

"AN ACT Relating to the business and occupation tax deduction for health or social welfare services as applied to government-funded health benefits paid through managed care organizations:"

Substitute House Bill No. 1624 authorizes a business and occupation (B&O) tax deduction for amounts received by a health or social welfare organization that is a non-profit hospital or a public hospital, from a managed care organization or other entity that is under contract with the federal or state government to manage certain health care benefits. The deduction is equal to the amount of payments the entity receives for health benefits for Medicare; medical assistance, children's health, or other programs authorized pursuant to RCW 74.09; or the Washington Basic Health Plan. The credit amount is limited to the extent these payments are received as compensation for health care services within the scope of benefits covered by the pertinent government health care program.

Section 3 of this bill would have applied the deduction to taxes collected in the future, on reporting periods prior to the effective date of this act. The retroactive nature of the provision is not fair to taxpayers who have timely reported and remitted their taxes. Taxpayers who failed to pay their taxes due before the effective date of this bill would have been rewarded for being delinquent, while those who paid on time would not receive a refund (such refunds are prohibited by Article VIII, Section 7 of the Washington Constitution as interpreted by the Washington Supreme Court).

For this reason, I have vetoed section 3 of Substitute House Bill No. 1624.

With the exception of section 3, Substitute House Bill No. 1624 is approved."

CHAPTER 24

[Substitute House Bill 1906]

FARM EQUIPMENT—TAX EXEMPTION

AN ACT Relating to the exemption of machinery and equipment used in farming operations from the state property tax and preventing a shift of property taxes; adding a new section to chapter 84.36 RCW; adding a new section to chapter 84.55 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 84.36 RCW to read as follows:

(1) All machinery and equipment owned by a farmer that is personal property is exempt from property taxes levied for any state purpose if it is used exclusively in growing and producing agricultural products during the calendar year for which the claim for exemption is made.

(2) "Farmer" has the same meaning as defined in RCW 82.04.213.

(3) A claim for exemption under this section shall be filed with the county assessor together with the verified statement required under RCW 84.40.190, for exemption from taxes payable the following year. The claim shall be made solely upon forms as prescribed and furnished by the department of revenue.

***NEW SECTION.** Sec. 2. *A new section is added to chapter 84.55 RCW to read as follows:*

The levy for the state in any year shall be reduced as necessary to prevent exemptions under section 1 of this act from resulting in a higher tax rate than would have occurred in the absence of the exemptions under section 1 of this act.

*Sec. 2 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 3. This act applies to taxes levied for collection in 2003 and every year thereafter.

Passed the House June 4, 2001.

Passed the Senate June 21, 2001.

Approved by the Governor July 13, 2001, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 13, 2001.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 2, Substitute House Bill No. 1906 entitled:

"AN ACT Relating to the exemption of machinery and equipment used in farming operations from the state property tax and preventing a shift of property taxes;"

Substitute House Bill No. 1906 authorizes an exemption from the state property tax for machinery and equipment owned by a farmer and used exclusively to grow agricultural products. Under the bill, farmers will continue to pay local property taxes on the machinery and equipment.

Section 2 of the bill would have required the state levy to be recalculated so that the exemption would not increase the rate of the state property tax levy, shifting the property tax burden to other property tax payers. The result would have been to permanently reduce revenues going into the state General Fund.

In the 2003-2005 biennium, section 2 would have caused a reduction in General Fund revenues of almost seven million dollars. The recently passed operating budget already leaves an uncomfortably small reserve for the future. My veto of section 2 will preserve revenue for the state General Fund and increase the reserves available for the state school levy.

For these reasons, I have vetoed section 2 of Substitute House Bill No. 1906.

With the exception of section 2, Substitute House Bill No. 1906 is approved."

CHAPTER 25

[Engrossed Substitute House Bill 2138]

DAIRY PRODUCTS, POULTRY FARMING—TAX EXEMPTION

AN ACT Relating to rural economic development; reenacting and amending RCW 82.04.260; adding new sections to chapter 82.08 RCW; adding new sections to chapter 82.12 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

PART I: Dairy Products B&O Tax Exemption

NEW SECTION. Sec. 1. The purpose of sections 2 and 3 of this act is to provide a tax rate for persons who manufacture dairy products that is commensurate to the rate imposed on certain other processors of agricultural commodities. This tax rate applies to persons who manufacture dairy products from raw materials such as fluid milk, dehydrated milk, or byproducts of milk such as cream, buttermilk, whey, butter, or casein. It is not the intent of the legislature to provide this tax rate to persons who use dairy products as an ingredient or component of their manufactured product, such as milk-based soups or pizza. It is the intent that persons who manufacture products such as milk, cheese, yogurt, ice cream, whey, or whey products be subject to this rate.

Sec. 2. RCW 82.04.260 and 1998 c 312 s 5 and 1998 c 311 s 2 are each reenacted and amended to read as follows:

(1) Upon every person engaging within this state in the business of manufacturing:

(a) Wheat into flour, barley into pearl barley, soybeans into soybean oil, canola into canola oil, canola meal, or canola byproducts, or sunflower seeds into sunflower oil; as to such persons the amount of tax with respect to such business shall be equal to the value of the flour, pearl barley, oil, canola meal, or canola byproduct manufactured, multiplied by the rate of 0.138 percent;

(b) Seafood products which remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing by that person; as to such persons the amount of tax with respect to such business shall be equal to the value of the products manufactured, multiplied by the rate of 0.138 percent; ~~((and))~~

(c) By canning, preserving, freezing, processing, or dehydrating fresh fruits and vegetables, or selling at wholesale fresh fruits and vegetables canned, preserved, frozen, processed, or dehydrated by the seller and sold to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business shall be equal to the value of the products canned, preserved, frozen, processed, or dehydrated multiplied by the rate of 0.138 percent. As proof of sale to a person who

transports in the ordinary course of business goods out of this state, the seller shall annually provide a statement in a form prescribed by the department and retain the statement as a business record; and

(d) Dairy products that as of the effective date of this section are identified in 21 C.F.R., chapter 1, parts 131, 133, and 135, including byproducts from the manufacturing of the dairy products such as whey and casein; or selling the same to purchasers who transport in the ordinary course of business the goods out of state; as to such persons the tax imposed shall be equal to the value of the products manufactured multiplied by the rate of 0.138 percent. As proof of sale to a person who transports in the ordinary course of business goods out of this state, the seller shall annually provide a statement in a form prescribed by the department and retain the statement as a business record.

(2) Upon every person engaging within this state in the business of splitting or processing dried peas; as to such persons the amount of tax with respect to such business shall be equal to the value of the peas split or processed, multiplied by the rate of 0.138 percent.

(3) Upon every nonprofit corporation and nonprofit association engaging within this state in research and development, as to such corporations and associations, the amount of tax with respect to such activities shall be equal to the gross income derived from such activities multiplied by the rate of 0.484 percent.

(4) Upon every person engaging within this state in the business of slaughtering, breaking and/or processing perishable meat products and/or selling the same at wholesale only and not at retail; as to such persons the tax imposed shall be equal to the gross proceeds derived from such sales multiplied by the rate of 0.138 percent.

(5) Upon every person engaging within this state in the business of making sales, at retail or wholesale, of nuclear fuel assemblies manufactured by that person, as to such persons the amount of tax with respect to such business shall be equal to the gross proceeds of sales of the assemblies multiplied by the rate of 0.275 percent.

(6) Upon every person engaging within this state in the business of manufacturing nuclear fuel assemblies, as to such persons the amount of tax with respect to such business shall be equal to the value of the products manufactured multiplied by the rate of 0.275 percent.

(7) Upon every person engaging within this state in the business of acting as a travel agent or tour operator; as to such persons the amount of the tax with respect to such activities shall be equal to the gross income derived from such activities multiplied by the rate of 0.275 percent.

(8) Upon every person engaging within this state in business as an international steamship agent, international customs house broker, international freight forwarder, vessel and/or cargo charter broker in foreign commerce, and/or international air cargo agent; as to such persons the amount of the tax with respect to only international activities shall be equal to the gross income derived from such activities multiplied by the rate of 0.275 percent.

(9) Upon every person engaging within this state in the business of stevedoring and associated activities pertinent to the movement of goods and commodities in waterborne interstate or foreign commerce; as to such persons the amount of tax with respect to such business shall be equal to the gross proceeds derived from such activities multiplied by the rate of 0.275 percent. Persons subject to taxation under this subsection shall be exempt from payment of taxes imposed by chapter 82.16 RCW for that portion of their business subject to taxation under this subsection. Stevedoring and associated activities pertinent to the conduct of goods and commodities in waterborne interstate or foreign commerce are defined as all activities of a labor, service or transportation nature whereby cargo may be loaded or unloaded to or from vessels or barges, passing over, onto or under a wharf, pier, or similar structure; cargo may be moved to a warehouse or similar holding or storage yard or area to await further movement in import or export or may move to a consolidation freight station and be stuffed, unstuffed, containerized, separated or otherwise segregated or aggregated for delivery or loaded on any mode of transportation for delivery to its consignee. Specific activities included in this definition are: Wharfage, handling, loading, unloading, moving of cargo to a convenient place of delivery to the consignee or a convenient place for further movement to export mode; documentation services in connection with the receipt, delivery, checking, care, custody and control of cargo required in the transfer of cargo; imported automobile handling prior to delivery to consignee; terminal stevedoring and incidental vessel services, including but not limited to plugging and unplugging refrigerator service to containers, trailers, and other refrigerated cargo receptacles, and securing ship hatch covers.

(10) Upon every person engaging within this state in the business of disposing of low-level waste, as defined in RCW 43.145.010; as to such persons the amount of the tax with respect to such business shall be equal to the gross income of the business, excluding any fees imposed under chapter 43.200 RCW, multiplied by the rate of 3.3 percent.

If the gross income of the taxpayer is attributable to activities both within and without this state, the gross income attributable to this state shall be determined in accordance with the methods of apportionment required under RCW 82.04.460.

(11) Upon every person engaging within this state as an insurance agent, insurance broker, or insurance solicitor licensed under chapter 48.17 RCW; as to such persons, the amount of the tax with respect to such licensed activities shall be equal to the gross income of such business multiplied by the rate of 0.484 percent.

(12) Upon every person engaging within this state in business as a hospital, as defined in chapter 70.41 RCW, that is operated as a nonprofit corporation or by the state or any of its political subdivisions, as to such persons, the amount of tax with respect to such activities shall be equal to the gross income of the business multiplied by the rate of 0.75 percent through June 30, 1995, and 1.5 percent

thereafter. The moneys collected under this subsection shall be deposited in the health services account created under RCW 43.72.900.

PART H: Retail Sales Tax Exemption - Poultry Farming

NEW SECTION. Sec. 3. A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales to farmers of propane or natural gas used to heat structures used to house chickens. The propane or natural gas must be used exclusively to heat the structures. The structures must be used exclusively to house chickens that are sold as agricultural products.

(2) The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(3) The definitions in this subsection apply to this section and section 4 of this act.

(a) "Structures" means barns, sheds, and other similar buildings in which chickens are housed.

(b) "Farmer" has the same meaning as provided in RCW 82.04.213.

(c) "Agricultural product" has the same meaning as provided in RCW 82.04.213.

NEW SECTION. Sec. 4. A new section is added to chapter 82.12 RCW to read as follows:

(1) The provisions of this chapter do not apply with respect to the use by a farmer of propane or natural gas to heat structures used to house chickens. The propane or natural gas must be used exclusively to heat the structures used to house chickens. The structures must be used exclusively to house chickens that are sold as agricultural products.

(2) The exemption certificate, recordkeeping requirements, and definitions of section 3 of this act apply to this section.

NEW SECTION. Sec. 5. A new section is added to chapter 82.08 RCW to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales to a farmer of bedding materials used to accumulate and facilitate the removal of chicken manure. The farmer must be raising chickens that are sold as agricultural products.

(2) The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(3) The definitions in this subsection apply to this section and section 6 of this act.

(a) "Bedding materials" means wood shavings, straw, sawdust, shredded paper, and other similar materials.

(b) "Farmer" has the same meaning as provided in RCW 82.04.213.

(c) "Agricultural product" has the same meaning as provided in RCW 82.04.213.

NEW SECTION. Sec. 6. A new section is added to chapter 82.12 RCW to read as follows:

(1) The provisions of this chapter do not apply with respect to the use by a farmer of bedding materials used to accumulate and facilitate the removal of chicken manure. The farmer must be raising chickens that are sold as agricultural products.

(2) The exemption certificate, recordkeeping requirements, and definitions of section 5 of this act apply to this section.

NEW SECTION. Sec. 7. Part headings used in this act are not any part of the law.

Passed the House June 4, 2001.

Passed the Senate June 14, 2001.

Approved by the Governor July 13, 2001.

Filed in Office of Secretary of State July 13, 2001.

CHAPTER 26

[House Bill 2258]

NATURAL DISASTER RELIEF

AN ACT Relating to funding drought and earthquake emergency relief; making appropriations; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The sum of five million dollars is appropriated for the biennium ending June 30, 2003, from the emergency reserve fund for deposit in the state drought preparedness account in response to the emergency caused by a natural disaster and declared a statewide drought emergency by the governor on March 14, 2001.

NEW SECTION. Sec. 2. The sum of twenty million dollars is appropriated for the biennium ending June 30, 2003, from the emergency reserve fund for deposit in the Nisqually earthquake account in response to the emergency caused by a natural disaster, known as the Nisqually earthquake, as declared by chapter 5, Laws of 2001, the governor, and the president of the United States.

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.

Passed the House June 18, 2001.

Passed the Senate June 20, 2001.

Approved by the Governor July 13, 2001.

Filed in Office of Secretary of State July 13, 2001.

WASHINGTON LAWS

2001 THIRD SPECIAL SESSION

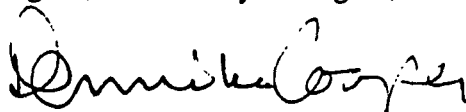
WASHINGTON LAWS, 2001 3rd Sp. Sess.

NOTE: No laws were enacted in the third special session.

AUTHENTICATION

I, Dennis W. Cooper, Code Reviser of the State of Washington, certify that, with the exception of such corrections as I have made in accordance with the powers vested in me by RCW 44.20.060, the laws published in this volume are a true and correct reproduction of the copies of the enrolled laws of the 2001 regular session (57th Legislature), chapters 238 through 337, the 2001 1st special session, chapters 1 through 12, the 2001 2nd special session, chapters 1 through 26, and the 2001 3rd special session, respectively, as certified and transmitted to the Statute Law Committee by the Secretary of State under RCW 44.20.020.

IN TESTIMONY WHEREOF, I have hereunto set my hand at Olympia, Washington, this 2nd day of August, 2001.

A handwritten signature in black ink, appearing to read "Dennis W. Cooper". The signature is written in a cursive style with a large initial "D" and "C".

DENNIS W. COOPER
Code Reviser

PROPOSED CONSTITUTIONAL AMENDMENTS, 2001 HJR 4202

**PROPOSED CONSTITUTIONAL AMENDMENT
ADOPTED AT THE 2001 REGULAR LEGISLATIVE SESSION
FOR SUBMISSION TO THE VOTERS
AT THE STATE GENERAL ELECTION, NOVEMBER 2001**

HOUSE JOINT RESOLUTION 4202

BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article XXIX, section 1 of the Constitution of the state of Washington to read as follows:

Article XXIX, section 1. Notwithstanding the provisions of sections 5, and 7 of Article VIII and section 9 of Article XII or any other section or article of the Constitution of the state of Washington, the moneys of any public pension or retirement fund, industrial insurance trust fund, ~~((or))~~ fund held in trust for the benefit of persons with developmental disabilities, or any other fund or account placed by law under the investment authority of the state investment board may be invested as authorized by law.

BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of this constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

Passed the House April 16, 2001

Passed the Senate April 11, 2001

Filed in the Office of Secretary of State April 20, 2001

**PROPOSED CONSTITUTIONAL AMENDMENT
ADOPTED AT THE 2001 REGULAR SESSION
FOR SUBMISSION TO THE VOTERS
AT THE STATE GENERAL ELECTION, NOVEMBER 2001**

ENGROSSED SENATE JOINT RESOLUTION 8208

BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article IV, section 7 of the Constitution of the state of Washington to read as follows:

SJR 8208 PROPOSED CONSTITUTIONAL AMENDMENTS, 2001

Article IV, section 7. The judge of any superior court may hold a superior court in any county at the request of the judge of the superior court thereof, and upon the request of the governor it shall be his or her duty to do so. A case in the superior court may be tried by a judge(;) pro tempore(~~(, who must be)~~) either with the agreement of the parties if the judge pro tempore is a member of the bar, is agreed upon in writing by the parties litigant(;) or their attorneys of record, and is approved by the court and sworn to try the case; or without the agreement of the parties if the judge pro tempore is a sitting elected judge and is acting as a judge pro tempore pursuant to supreme court rule. The supreme court rule must require assignments of judges pro tempore based on the judges' experience and must provide for the right, exercisable once during a case, to a change of judge pro tempore. Such right shall be in addition to any other right provided by law. However, if a previously elected judge of the superior court retires leaving a pending case in which the judge has made discretionary rulings, the judge is entitled to hear the pending case as a judge pro tempore without any written agreement.

BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of this constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

Passed the Senate April 18, 2001

Passed the House April 9, 2001

Filed in the Office of Secretary of State April 20, 2001

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"PV" Denotes partial veto by Governor [2329]

"E1" Denotes 2001 1st special sess.
"E2" Denotes 2001 2nd special sess.

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ESSB	5970	94	
SB	5972	51	
SSB	5986	254	
SSB	5988	302	
ESB	5990	9	E2
ESSB	5995	52	
ESSB	6007	11	E1
SSB	6012	12	E1
SSB	6020	93	
SB	6022	53	
SSB	6035	110	
SSB	6053	130	
SSB	6055	255	
SSB	6056	256	
SB	6107	215	
SB	6109	54	
SSB	6110	234	
ESSB	6143	283	
3ESSB	6151	12	E2
ESSB	6153	7	E2 PV
SSB	6155	8	E2 PV
ESSB	6167	11	E2 PV
SB	6181	1	E1
ESB	6188	2	E1
ESB	6194	22	E2 PV
ESB	6198	21	E2
			HOUSE
SHB	1000	131	
SHB	1001	132	
HB	1002	70	
SHB	1004	134	
EHB	1015	218	
HB	1018	113	
SHB	1027	18	
HB	1028	71	
HB	1035	135	
HB	1036	176	
HB	1040	136	
2SHB	1041	260	
SHB	1042	194	
HB	1045	261	
HB	1048	317	
HB	1055	26	
2SHB	1058	4	E1
HB	1062	167	
HB	1066	166	
HB	1067	72	
HB	1070	137	
HB	1071	303	
EHB	1076	114	
HB	1084	73	
SHB	1094	195	
HB	1095	262	
HB	1098	74	
EHB	1099	191	
HB	1100	19	
HB	1102	318	PV
HB	1116	75	
SHB	1117	115	
SHB	1119	258	
SHB	1120	263	
SHB	1125	6	
HB	1131	76	
SHB	1133	138	
SHB	1135	203	
SHB	1136	77	
HB	1138	219	
SHB	1140	20	
HB	1160	78	
HB	1162	2	E2
SHB	1163	139	
HB	1173	79	
SHB	1174	140	
E2SHB	1180	80	
HB	1198	141	
SHB	1202	185	
SHB	1203	116	
HB	1205	81	
HB	1211	177	

"E1" Denotes 2001 1st special sess.

"E2" Denotes 2001 2nd special sess.

[2330]

"PV" Denotes partial veto by Governor

BILL NO. TO CHAPTER NO. OF 2001 STATUTES

Number	Chapter Number Laws of 2001		Number	Chapter Number Laws of 2001			
SHB	1212	174	SHB	1498	306		
HB	1213	180	2SHB	1499	86		
SHB	1214	181	SHB	1501	307		
HB	1216	82	SHB	1515	38		
HB	1227	264	HB	1523	200		
SHB	1234	204	EHB	1530	119		
HB	1243	142	SHB	1537	120		
2SHB	1249	265	HB	1542	87		
HB	1255	266	SHB	1545	271		
SHB	1256	182	HB	1546	28		
HB	1257	143	HB	1547	56		
SHB	1259	192	HB	1548	29		
2ESHB	1266	1	E2	HB	1564	308	
HB	1280	17		HB	1567	309	
SHB	1282	205		HB	1577	30	
ESHB	1286	337	PV	HB	1578	222	
HB	1287	267		HB	1579	310	
SHB	1295	304		HB	1581	272	
HB	1296	21		HB	1582	121	
HB	1309	22		HB	1584	206	
HB	1313	23		2SHB	1590	88	
SHB	1314	117		SHB	1591	311	
HB	1317	24		SHB	1596	89	
SHB	1320	319	PV	EHB	1606	122	
SHB	1325	268		HB	1611	223	
SHB	1339	118		HB	1613	172	
SHB	1341	269		HB	1614	224	
HB	1346	144		HB	1623	31	
EHB	1347	178		SHB	1624	23	E2 PV
SHB	1349	27		ESHB	1625	123	
EHB	1350	220		SHB	1632	39	
HB	1361	320	PV	HB	1633	196	
ESHB	1364	321		HB	1634	40	
SHB	1365	257		SHB	1643	209	
HB	1366	83		SHB	1644	225	
HB	1369	211		SHB	1649	145	
ESHB	1371	165		SHB	1650	323	PV
SHB	1375	25		ESHB	1655	312	
SHB	1376	84		E2SHB	1658	273	
SHB	1384	216		SHB	1661	197	
HB	1385	186		SHB	1678	201	PV
SHB	1391	259		SHB	1680	226	
HB	1394	221		HB	1692	171	
EHB	1407	270		HB	1694	207	
ESHB	1418	212		HB	1706	188	
HB	1419	55		HB	1716	111	
ESHB	1420	173		HB	1727	90	
SHB	1426	85		HB	1729	91	
2SHB	1445	316	PV	SHB	1739	41	
SHB	1450	305		HB	1750	202	
ESHB	1458	322		2SHB	1752	274	
SHB	1467	187		SHB	1763	57	
SHB	1471	175		HB	1770	208	

"PV" Denotes partial veto by Governor [2331]

"E1" Denotes 2001 1st special sess.

"E2" Denotes 2001 2nd special sess.

BILL NO. TO CHAPTER NO. OF 2001 STATUTES

Number	Chapter Number Laws of 2001	Number	Chapter Number Laws of 2001
HB	1780	92	
SHB	1781	313	
ESHB	1785	227	
SHB	1792	179	
SHB	1793	146	
SHB	1821	228	
ESHB	1832	237	
2SHB	1835	314	
SHB	1836	275	
EHB	1845	5	E1
HB	1846	189	
HB	1851	147	
HB	1855	198	
HB	1859	213	
EHB	1864	42	PV
HB	1865	229	
SHB	1884	210	
SHB	1891	324	
SHB	1892	315	PV
HB	1895	325	
HB	1898	230	
SHB	1899	276	
SHB	1906	24	E2 PV
SHB	1915	124	
SHB	1920	148	
SHB	1926	13	E2
EHB	1936	277	
HB	1943	58	
SHB	1950	231	
HB	1951	199	
HB	1952	169	
SHB	1971	183	
HB	1983	43	
HB	1984	3	E2
ESHB	1995	168	PV
ESHB	1996	278	
ESHB	1997	326	
E2SHB	2025	6	E1
HB	2029	125	
HB	2037	149	
SHB	2041	193	
SHB	2046	327	PV
SHB	2049	190	
HB	2086	170	
HB	2098	7	E1
SHB	2104	279	
SHB	2105	280	
HB	2126	184	
ESHB	2138	25	E2
ESHB	2172	281	PV
SHB	2184	282	
ESHB	2191	126	
SHB	2221	59	
HB	2222	5	
SHB	2227	4	E2
EHB	2230	15	E2 PV
HB	2233	5	E2
SHB	2242	8	E1 PV
EHB	2247	214	
HB	2258	26	E2
EHB	2260	9	E1
EHB	2266	6	E2

"E1" Denotes 2001 1st special sess.

"E2" Denotes 2001 2nd special sess.

[2332]

"PV" Denotes partial veto by Governor

RCW SECTIONS AFFECTED BY 2001 STATUTES

LEGEND				RCW		CH.	SEC.
ADD	=	Add a new section		9.94A.145	REMD	10	3
AMD	=	Amend existing law		9.94A.190	AMD	12 E2	313
DECD	=	Decodify existing law		9.94A.320	REMD	17	1
RECD	=	Recodify existing law		9.94A.320	REMD	222	24
REEN	=	Reenact existing law		9.94A.320	REMD	310	4
REMD	=	Reenact and amend		9.94A.320	REMD	224	3
REP	=	Repeal existing law		9.94A.320	REMD	207	3
				9.94A.320	REMD	287	3
				9.94A.320	REMD	217	12
				9.94A.320	REMD	300	4
2.48.180	REEN	310	2	9.94A.320	REMD	12 E2	361
3.46.150	AMD	68	2	9.94A.360	AMD	264	5
3.46.155	REP	68	5	9.94A.390	AMD	12 E2	314
3.50.320	AMD	94	4	9.94A.590	AMD	12 E2	315
3.50.330	AMD	94	5	9.94A.660	AMD	10	4
3.50.810	AMD	68	i	9.94A.670	AMD	12 E2	316
3.62.090	AMD	289	1	9.94A.715	AMD	10	5
3.66	ADD	115	1,2	9.94A.715	AMD	12 E2	302
3.66.040	AMD	45	1	9.95	ADD	12 E2	306-
3.66.067	AMD	94	1				310
3.66.068	AMD	94	2				317
3.66.070	AMD	15	1				363
4.12.020	AMD	45	2	9.95.0011	REP	12 E2	501
4.24	ADD	209	1	9.95.005	AMD	12 E2	318
4.24	ADD	12 E2	403	9.95.010	AMD	12 E2	319
4.24.350	AMD	253	1	9.95.011	AMD	12 E2	320
4.24.550	AMD	169	2	9.95.017	AMD	12 E2	321
4.24.550	AMD	283	2	9.95.020	AMD	12 E2	322
4.96.010	AMD	119	1	9.95.032	AMD	12 E2	323
4.96.020	AMD	119	2	9.95.052	AMD	12 E2	324
5.40.050	AMD	194	5	9.95.055	AMD	12 E2	325
5.60.060	AMD	286	2	9.95.064	AMD	12 E2	326
7.21.030	AMD	260	6	9.95.070	AMD	12 E2	327
7.68.020	AMD	136	1	9.95.080	AMD	12 E2	328
7.68.060	AMD	153	1	9.95.090	AMD	12 E2	329
9.12.010	REEN	310	3	9.95.100	AMD	12 E2	330
9.35	ADD	217	1,2,7	9.95.110	AMD	12 E2	331
9.35.010	AMD	217	8	9.95.115	AMD	12 E2	332
9.35.020	AMD	217	9	9.95.120	AMD	12 E2	333
9.35.030	AMD	217	10	9.95.121	AMD	12 E2	334
9.38	ADD	39	1	9.95.122	AMD	12 E2	335
9.41.010	AMD	300	2	9.95.123	AMD	12 E2	336
9.46	ADD	236	1	9.95.124	AMD	12 E2	337
9.91	ADD	112	2	9.95.125	AMD	12 E2	338
9.94A	ADD	35	2-5	9.95.126	AMD	12 E2	339
9.94A	ADD	12 E2	303	9.95.130	AMD	12 E2	340
			304	9.95.140	AMD	12 E2	341
9.94A.030	AMD	7	2	9.95.145	REP	12 E2	501
9.94A.030	AMD	95	1	9.95.190	AMD	12 E2	342
9.94A.030	AMD	287	4	9.95.250	AMD	12 E2	343
9.94A.030	AMD	300	3	9.95.280	AMD	12 E2	344
9.94A.030	REMD	12 E2	301	9.95.290	AMD	12 E2	345
9.94A.060	AMD	12 E2	311	9.95.300	AMD	12 E2	346
9.94A.120	AMD	12 E2	312	9.95.310	AMD	12 E2	347
9.94A.120	REEN	10	2	9.95.320	AMD	12 E2	348

"E1" Denotes 2001 1st special session

[2333]

"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>
9.95.340	AMD	12 E2 349	10.14.080	AMD	311 1
9.95.350	AMD	12 E2 350	10.14.100	AMD	311 2
9.95.360	AMD	12 E2 351	10.14.120	AMD	260 4
9.95.370	AMD	12 E2 352	10.14.170	AMD	260 5
9.95.900	AMD	12 E2 353	10.73	ADD	301 2
9.96	ADD	140 1	10.73.170	AMD	301 1
9.96A	ADD	296 2	10.88	ADD	264 6
9A.28.020	AMD	12 E2 354	11	ADD	327 1-9
9A.36.021	AMD	12 E2 355			11-13
9A.40.030	AMD	12 E2 356	11.02.005	AMD	320 1
9A.44.010	REMD	251 28	11.88.045	AMD	148 1
9A.44.093	AMD	12 E2 357	11.94	ADD	203 1
9A.44.096	AMD	12 E2 358			3-8
9A.44.100	AMD	12 E2 359	11.94.040	AMD	203 2
9A.44.130	AMD	169 1	11.94.050	AMD	203 12
9A.44.130	AMD	95 2	11.96A.040	AMD	203 9
9A.44.140	AMD	170 2	11.96A.050	AMD	203 10
9A.68.060	REEN	224 2	11.96A.100	AMD	14 1
9A.72.010	REEN	171 2	11.96A.120	AMD	203 11
9A.72.030	REEN	171 3	11.96A.230	AMD	14 2
9A.76	ADD	287 1	11.96A.250	AMD	14 3
9A.76.010	AMD	264 4	11.96A.300	AMD	14 4
9A.76.020	REEN	308 3	11.96A.310	AMD	14 5
9A.76.110	AMD	264 1	11.98.130	AMD	60 1
9A.76.120	AMD	264 2	11.98.140	AMD	60 2
9A.76.120	AMD	287 2	11.98.150	AMD	60 3
9A.76.170	AMD	264 3	12.36.050	AMD	156 1
9A.76.175	REEN	308 2	12.36.055	AMD	156 2
9A.82.001	REEN	222 2	12.40.010	AMD	154 1
9A.82.010	AMD	217 11	13.34	ADD	332 1,6,8
9A.82.010	REMD	222 3	13.34	ADD	52 2
9A.82.020	REEN	222 4	13.34	ADD	256 2
9A.82.030	REEN	222 5	13.34.062	AMD	332 2
9A.82.040	REEN	222 6	13.34.065	AMD	332 3
9A.82.045	REEN	222 7	13.34.110	AMD	332 7
9A.82.050	REEN	222 8	13.34.138	AMD	332 5
9A.82.060	REEN	222 9	13.34.180	AMD	332 4
9A.82.070	REEN	222 10	13.40.0357	AMD	217 13
9A.82.080	REEN	222 11	13.40.070	AMD	175 2
9A.82.085	REMD	222 12	13.40.127	AMD	175 3
9A.82.090	REMD	222 13	13.40.165	AMD	164 1
9A.82.100	REMD	222 14	13.40.210	AMD	137 2
9A.82.110	REMD	222 15	13.40.210	AMD	51 1
9A.82.120	REMD	222 16	13.40.320	AMD	137 1
9A.82.130	REMD	222 17	13.50.050	AMD	174 1
9A.82.140	REMD	222 18	13.50.050	AMD	175 1
9A.82.150	REMD	222 19	13.50.050	AMD	49 2
9A.82.160	REMD	222 20	13.50.100	AMD	162 2
9A.82.170	REMD	222 21	13.64.040	AMD	161 1
9A.82.900	REEN	222 22	15	ADD	314 1-17
9A.82.901	REEN	222 23			22
9A.83.030	AMD	168 2	15.17.243	AMD	92 1
9A.88.010	AMD	88 2	15.64	ADD	3 E2 2,3
10.14.020	AMD	260 2	15.65	ADD	315 7
10.14.040	REMD	260 3	15.65.040	AMD	315 4

RCW SECTIONS AFFECTED BY 2001 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
15.65.230	AMD	315	5	18.20.050	AMD	193	10
15.65.270	AMD	6	E2 1	18.20.115	AMD	85	1
15.65.280	AMD	315	6	18.20.185	AMD	193	2
15.66	ADD	315	8	18.20.190	AMD	193	4
15.66.030	AMD	315	1	18.27	ADD	159	6,12
15.66.110	AMD	315	2				13
15.66.130	AMD	6	E2 2	18.27.010	AMD	159	1
15.66.140	AMD	315	3	18.27.030	AMD	159	2
15.76.115	AMD	16	E2 1	18.27.040	AMD	159	3
15.76.140	AMD	157	1	18.27.050	AMD	159	4
17.21	ADD	333	3	18.27.060	REMD	159	5
17.21.020	AMD	333	1	18.27.075	AMD	159	14
17.21.410	AMD	333	2	18.27.090	AMD	159	7
18	ADD	251	1-16	18.27.100	AMD	159	8
18.04.015	AMD	294	1	18.27.114	AMD	159	9
18.04.025	AMD	294	2	18.27.310	AMD	159	10
18.04.035	AMD	294	3	18.27.320	AMD	159	11
18.04.045	AMD	294	4	18.29	ADD	93	3
18.04.055	AMD	294	5	18.32	ADD	93	4
18.04.065	AMD	294	6	18.44.121	AMD	177	3
18.04.105	AMD	294	7	18.52C.020	AMD	319	3
18.04.180	AMD	294	8	18.71.095	AMD	114	1
18.04.183	AMD	294	9	18.71.310	AMD	109	1
18.04.185	AMD	294	10	18.73.250	AMD	24	1
18.04.195	AMD	294	11	18.100.050	AMD	251	29
18.04.205	AMD	294	12	18.106	ADD	281	3
18.04.215	AMD	294	13	18.106.010	AMD	281	1
18.04.295	AMD	294	14	18.106.040	AMD	281	2
18.04.305	AMD	294	15	18.108	ADD	297	3
18.04.335	AMD	294	16	18.108.010	AMD	297	2
18.04.345	AMD	294	17	18.120.020	AMD	251	26
18.04.350	AMD	294	18	18.130.040	AMD	251	27
18.04.370	AMD	294	19	18.130.060	AMD	101	1
18.04.380	AMD	294	20	18.130.160	AMD	195	1
18.04.390	AMD	294	21	18.130.190	REEN	207	2
18.04.405	AMD	294	22	18.135.020	AMD	22	2
18.19.010	AMD	251	17	18.135.060	AMD	22	3
18.19.020	AMD	251	18	18.140.155	AMD	78	1
18.19.030	AMD	251	19	18.155.020	REMD	12	E2 401
18.19.040	AMD	251	20	18.155.030	REMD	12	E2 402
18.19.050	AMD	251	21	18.205.090	AMD	251	30
18.19.060	AMD	251	22	18.220.901	AMD	61	1
18.19.070	REP	251	37	19	ADD	178	1-7
18.19.080	AMD	251	23	19	ADD	160	1-4
18.19.110	REP	251	37	19.16.100	AMD	43	1
18.19.120	REP	251	37	19.16.100	AMD	47	1
18.19.130	REP	251	37	19.16.250	AMD	47	2
18.19.140	REP	251	37	19.16.250	AMD	217	4
18.19.150	REP	251	37	19.16.250	AMD	217	5
18.19.160	REP	251	37	19.28.006	AMD	211	1
18.19.170	REP	251	37	19.28.010	AMD	211	2
18.19.180	AMD	251	24	19.28.041	AMD	211	3
18.19.190	AMD	251	25	19.28.051	AMD	211	4
18.20	ADD	85	2	19.28.071	AMD	211	5
18.20	ADD	193	7	19.28.091	AMD	211	6

"E1" Denotes 2001 1st special session

[2335]

"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>
19.28.121	AMD	211	7	26.23.055	AMD 42 4
19.28.131	AMD	211	8	26.26.130	AMD 42 5
19.28.141	AMD	211	9	26.27	ADD 65 101-112
19.28.151	AMD	211	10		201-210
19.28.171	AMD	211	11		301-317
19.28.181	AMD	211	12		401,404
19.28.201	AMD	211	13		405
19.28.211	AMD	211	14	26.27.010	REP 65 403
19.28.221	AMD	211	15	26.27.020	REP 65 403
19.28.231	AMD	211	16	26.27.030	REP 65 403
19.28.241	AMD	211	17	26.27.040	REP 65 403
19.28.251	AMD	211	18	26.27.050	REP 65 403
19.28.261	AMD	211	19	26.27.060	REP 65 403
19.28.271	AMD	211	20	26.27.070	REP 65 403
19.28.321	AMD	211	21	26.27.080	REP 65 403
19.29A	ADD	214	28	26.27.090	REP 65 403
19.29A.040	AMD	214	29	26.27.100	REP 65 403
19.40.081	AMD	32	1	26.27.110	REP 65 403
19.112	ADD	218	1	26.27.120	REP 65 403
19.122.055	AMD	238	5	26.27.130	REP 65 403
19.138	ADD	44	2	26.27.140	REP 65 403
19.138.021	AMD	44	1	26.27.150	REP 65 403
19.138.100	AMD	44	4	26.27.160	REP 65 403
19.138.160	AMD	44	5	26.27.170	REP 65 403
19.138.220	AMD	44	3	26.27.180	REP 65 403
19.146.205	AMD	177	4	26.27.190	REP 65 403
19.146.228	AMD	177	5	26.27.200	REP 65 403
19.146.280	AMD	177	6	26.27.210	REP 65 403
19.182	ADD	217	6	26.27.220	REP 65 403
23.86	ADD	122	4	26.27.230	REP 65 403
23B.16.220	AMD	307	1	26.27.900	REP 65 403
24.06	ADD	271	9	26.27.910	REP 65 403
24.06	ADD	122	5	26.27.920	REP 65 403
24.06.005	AMD	271	1	26.27.930	REP 65 403
24.06.025	AMD	271	2	26.44	ADD 52 3
24.06.030	AMD	271	3	27.12	ADD 212 11
24.06.035	AMD	271	4	28A	ADD 158 1-8
24.06.100	AMD	271	5		10
24.06.110	AMD	271	6	28A.150.380	AMD 3 10
24.06.115	AMD	271	7	28A.180	ADD 6 E1 2
24.06.150	AMD	271	8	28A.180.030	AMD 6 E1 3
24.06.185	AMD	271	10	28A.180.040	AMD 6 E1 4
24.06.190	AMD	271	11	28A.225.035	AMD 162 1
24.06.195	AMD	271	12	28A.310.170	AMD 182 1
24.06.245	AMD	271	13	28A.310.200	AMD 143 1
24.06.250	AMD	271	14	28A.320	ADD 333 4
24.06.255	AMD	271	15	28A.335.090	AMD 183 1
25.05.510	AMD	251	31	28A.335.120	AMD 183 2
25.15.045	AMD	251	32	28A.400	ADD 4 2
25.15.085	AMD	307	3	28A.400.240	AMD 266 1
25.15.095	AMD	307	4	28A.400.303	AMD 296 3
25.15.105	AMD	307	2	28A.400.305	AMD 296 4
26.09.020	AMD	42	1	28A.400.350	REMD 266 2
26.21.305	AMD	42	2	28A.405.900	AMD 10 E2 2
26.23.050	AMD	42	3	28A.410.010	REMD 263 1

"E1" Denotes 2001 1st special session

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
28A.505	ADD	3	3	29.36.075	AMD	241	12
28A.655.060	AMD	20	E2 1	29.36.075	RECD	241	25
28B.10	ADD	103	2	29.36.097	RECD	241	25
28B.10.350	AMD	38	1	29.36.100	AMD	241	13
28B.35	ADD	252	1	29.36.100	RECD	241	25
28B.50	ADD	110	1	29.36.120	RECD	241	25
28B.50	ADD	4	3,4	29.36.120	REMD	241	15
28B.50.880	AMD	204	8	29.36.121	AMD	241	16
28B.95	ADD	184	2	29.36.121	RECD	241	25
28B.95.020	AMD	184	1	29.36.122	REP	241	24
28B.95.110	AMD	184	3	29.36.124	AMD	241	18
28C.04	ADD	336	2	29.36.124	RECD	241	25
28C.10.050	AMD	23	1	29.36.126	AMD	241	19
28C.10.084	AMD	23	2	29.36.126	RECD	241	25
28C.10.110	AMD	23	3	29.36.130	AMD	241	20
29	ADD	241	17,21	29.36.130	RECD	241	25
			25	29.36.139	REP	241	24
29.01	ADD	225	1	29.36.150	RECD	241	25
29.04	ADD	41	3-5	29.36.160	AMD	241	14
29.04.055	AMD	241	22	29.36.160	RECD	241	25
29.07	ADD	41	2	29.36.170	AMD	241	5
29.07.092	AMD	41	6	29.36.170	RECD	241	25
29.07.260	AMD	41	16	29.51	ADD	241	25
29.07.440	AMD	41	7	29.60.030	AMD	41	11
29.08.080	AMD	41	8	29.62.090	AMD	225	2
29.10.125	AMD	41	9	29.64	ADD	225	7
29.10.185	AMD	41	10	29.64.010	AMD	225	3
29.15.170	AMD	46	1	29.64.015	AMD	225	4
29.15.180	AMD	46	2	29.64.020	AMD	225	5
29.15.230	AMD	46	3	29.64.030	AMD	225	6
29.18.160	AMD	46	4	29.64.040	AMD	225	8
29.24	ADD	30	4	29.64.051	AMD	225	9
29.24.020	AMD	30	2	29.64.060	AMD	225	10
29.24.035	AMD	30	3	29.64.080	AMD	225	11
29.24.035	AMD	64	1	29.85	ADD	41	12,13
29.27	ADD	30	1	30.42.140	AMD	176	1
29.30.020	AMD	30	5	31.04	ADD	81	3,9
29.30.075	RECD	241	25				15-17
29.36	ADD	241	2,3	31.04.015	AMD	81	1
			9,25	31.04.025	AMD	81	2
29.36.010	AMD	241	1	31.04.045	AMD	81	4
29.36.010	RECD	241	25	31.04.055	AMD	81	5
29.36.013	AMD	241	4	31.04.075	AMD	81	6
29.36.013	RECD	241	25	31.04.085	AMD	81	7
29.36.030	AMD	241	6	31.04.093	AMD	81	8
29.36.030	RECD	241	25	31.04.105	AMD	81	10
29.36.035	AMD	241	7	31.04.145	AMD	81	11
29.36.035	RECD	241	25	31.04.155	AMD	81	12
29.36.045	AMD	241	8	31.04.165	AMD	81	13
29.36.045	RECD	241	25	31.04.175	AMD	81	14
29.36.050	RECD	241	25	31.12	ADD	83	16
29.36.060	AMD	241	10	31.12	ADD	120	1
29.36.060	RECD	241	25	31.12.005	AMD	83	1
29.36.070	AMD	241	11	31.12.065	AMD	83	2
29.36.070	RECD	241	25	31.12.085	AMD	83	3

"E1" Denotes 2001 1st special session

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>
31.12.105	AMD	83	4	34.05.514	REMD	220	3
31.12.115	AMD	83	5	34.05.660	AMD	64	2
31.12.225	AMD	83	6	35.02.140	AMD	299	1
31.12.235	AMD	83	7	35.13.270	AMD	299	2
31.12.255	AMD	83	8	35.20.010	AMD	68	3
31.12.267	AMD	83	9	35.20.255	AMD	94	3
31.12.275	REP	83	38	35.21	ADD	73	4
31.12.326	AMD	83	10	35.22.200	AMD	73	2
31.12.335	AMD	83	11	35.61	ADD	212	12
31.12.365	AMD	83	12	35.61	ADD	29	1
31.12.367	AMD	83	13	35.79.030	AMD	202	1
31.12.402	AMD	83	14	35.92	ADD	122	3
31.12.404	AMD	83	15	35A.01.070	REMD	33	1
31.12.407	REP	83	38	35A.06.030	AMD	33	2
31.12.426	AMD	83	17	35A.06.060	AMD	33	3
31.12.428	AMD	83	18	35A.08.030	AMD	33	4
31.12.436	AMD	83	19	35A.14.801	AMD	299	3
31.12.438	AMD	83	20	35A.40.090	AMD	200	2
31.12.445	REP	83	38	35A.63.110	AMD	200	1
31.12.448	REP	83	38	36.17	ADD	73	5
31.12.461	AMD	83	21	36.17.020	AMD	73	3
31.12.464	AMD	83	22	36.18.012	AMD	146	1
31.12.467	AMD	83	23	36.18.016	AMD	146	2
31.12.471	AMD	83	24	36.18.025	AMD	146	3
31.12.474	AMD	83	25	36.22.175	AMD	13	E2 1
31.12.516	AMD	83	26	36.28A.040	AMD	169	3
31.12.545	AMD	83	27	36.29.010	AMD	299	4
31.12.555	REP	83	38	36.29.050	AMD	299	5
31.12.565	AMD	83	28	36.29.090	AMD	299	6
31.12.567	AMD	83	29	36.29.100	AMD	299	7
31.12.569	AMD	83	30	36.29.160	AMD	299	8
31.12.571	AMD	83	31	36.29.170	AMD	299	9
31.12.575	AMD	83	32	36.32	ADD	212	13
31.12.585	AMD	83	33	36.33.220	AMD	212	25
31.12.595	AMD	83	34	36.35.120	AMD	299	10
31.12.605	REP	83	38	36.35.150	AMD	299	11
31.12.615	REP	83	38	36.57	ADD	89	1
31.12.625	AMD	83	35	36.57A	ADD	89	2
31.12.627	REP	83	38	36.60.010	AMD	58	1
31.13.010	AMD	83	36	36.68	ADD	212	14
31.13.020	AMD	83	37	36.69	ADD	212	15
31.13.030	REP	83	39	36.70A.103	AMD	12	E2 203
31.13.040	REP	83	39	36.70A.200	AMD	12	E2 205
31.13.050	REP	83	39	36.70A.367	AMD	326	1
31.13.900	DECD	83	40	36.70B.080	AMD	322	1
31.35.050	AMD	177	7	36.75	ADD	212	16
31.35.080	AMD	177	8	36.77.065	AMD	108	1
31.40.070	AMD	177	9	36.79.140	AMD	221	2
31.40.110	AMD	177	10	36.79.140	AMD	212	26
31.45.030	AMD	177	11	36.82.040	AMD	212	27
31.45.050	AMD	177	12	36.82.070	AMD	221	3
31.45.077	AMD	177	13	36.96.040	AMD	299	12
34.05	ADD	25	2	36.96.070	AMD	299	13
34.05.230	AMD	25	1	38	ADD	288	1,2
34.05.354	REP	25	3	38.40.060	AMD	71	1

"E1" Denotes 2001 1st special session

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>
38.52	ADD	5	2	41.32.802	AMD	10 E2	8
38.52	ADD	128	3	41.32.860	AMD	10 E2	9
38.52.540	AMD	128	2	41.32.862	AMD	10 E2	10
39	ADD	212	1-10	41.34.060	AMD	180	2
			29	41.34.130	AMD	181	3
39.04	ADD	34	1	41.35.010	AMD	180	3
39.04.155	AMD	284	1	41.35.060	AMD	10 E2	11
39.10	ADD	328	2,3	41.40.023	REMD	37	1
39.10.020	AMD	328	1	41.40.037	AMD	10 E2	4
39.10.050	REP	328	7	41.40.037	AMD	10 E2	12
39.10.060	REP	328	7	41.40.750	AMD	10 E2	13
39.10.110	REP	328	7	41.45	ADD	329	11
39.10.115	AMD	328	4	41.45	ADD	11 E2	6,9
39.10.120	REMD	328	5	41.45.010	AMD	11 E2	1
39.10.902	AMD	328	6	41.45.010	AMD	11 E2	2
39.12.050	AMD	219	1	41.45.020	AMD	11 E2	4
39.12.065	AMD	219	2	41.45.020	REMD	11 E2	3
39.12.080	AMD	219	3	41.45.030	AMD	11 E2	5
39.34.180	AMD	68	4	41.45.050	AMD	11 E2	7
39.35.010	AMD	214	15	41.45.050	AMD	11 E2	8
39.35.030	AMD	214	16	41.45.060	AMD	329	10
39.35.050	AMD	214	17	41.45.060	REMD	11 E2	10
39.35.060	AMD	292	1	41.45.0602	DECD	11 E2	11
39.35 A	ADD	214	19	41.45.061	AMD	11 E2	12
39.35 A.020	AMD	214	18	41.45.061	REMD	180	1
39.35 C	ADD	214	22	41.45.061	REMD	11 E2	13
39.35 C.010	AMD	214	20	41.45.067	AMD	11 E2	14
39.35 C.020	AMD	214	21	41.45.070	AMD	11 E2	16
39.35 C.110	REP	292	4	41.45.070	REMD	11 E2	15
39.42.060	AMD	9 E2	18	41.45.080	AMD	11 E2	17
39.44.200	AMD	299	14	41.50.086	AMD	181	1
39.46.020	AMD	299	15	41.50.136	AMD	146	5
39.50.010	AMD	299	16	41.50.780	REMD	181	2
39.50.030	AMD	299	17	41.54.050	DECD	180	5
39.86.100	AMD	330	1	42.17	ADD	57	2
39.86.120	AMD	330	2	42.17	ADD	179	14
40.14.027	AMD	146	4	42.17	ADD	54	1
40.24.010	AMD	28	1	42.17.105	AMD	54	2
40.24.030	AMD	28	2	42.17.175	AMD	54	3
40.24.080	AMD	28	3	42.17.2401	AMD	9	1
41.04.270	AMD	180	4	42.17.2401	AMD	36	1
41.05	ADD	321	1	42.17.310	REMD	70	1
41.05.011	AMD	165	1	42.17.310	REMD	278	1
41.05.011	REMD	165	2	42.17.310	REMD	98	2
41.05.080	AMD	165	3	42.17.316	AMD	64	3
41.06	ADD	296	6,7	42.17.319	AMD	87	1
41.06.077	AMD	84	1	42.17.31907	AMD	314	18
41.14.060	AMD	232	1	42.17.640	AMD	208	1
41.14.070	AMD	151	1	42.30	ADD	216	2
41.24.150	AMD	134	1	42.30.110	AMD	216	1
41.24.160	REMD	134	2	43	ADD	9 E2	1-9
41.26.470	AMD	261	1	43	ADD	9 E2	10-
41.26.470	AMD	261	2				17
41.32.570	AMD	317	1	43.03.011	AMD	3 E1	1
41.32.570	AMD	10 E2	3	43.03.012	AMD	3 E1	2

"E1" Denotes 2001 1st special session

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>
43.03.013	AMD	3	E1 3	43.70.185	AMD	253	2
43.03.028	AMD	302	2	43.72.902	AMD	7 E2	916
43.03.230	AMD	315	11	43.79.465	AMD	7 E2	917
43.05.040	AMD	190	1	43.79A.040	AMD	201	4
43.06	ADD	235	2,3	43.79A.040	AMD	184	4
43.08.250	AMD	289	4	43.84.092	AMD	80	4
43.08.250	AMD	7	E2 914	43.84.092	AMD	80	5
43.19.025	AMD	292	2	43.84.092	AMD	141	2
43.19.1923	AMD	292	3	43.84.092	AMD	141	3
43.19.668	AMD	214	23	43.84.092	AMD	273	5
43.19.669	AMD	214	24	43.84.092	AMD	273	6
43.19.670	AMD	214	25	43.84.092	AMD	14 E2	607
43.19.675	AMD	214	26	43.84.092	AMD	14 E2	608
43.19.680	AMD	214	27	43.101	ADD	167	2-12
43.19A.020	AMD	77	1				14
43.20A.360	REMD	291	101	43.101.010	AMD	167	1
43.20A.370	REP	291	201	43.101.080	AMD	166	1
43.20A.375	REP	291	201	43.103.100	AMD	82	1
43.20A.380	REP	291	201	43.110.010	AMD	290	1
43.20A.710	AMD	296	5	43.131	ADD	274	4
43.20A.720	AMD	210	1	43.131.381	AMD	316	1
43.20A.725	AMD	210	2	43.131.382	AMD	316	2
43.21B.110	REMD	220	2	43.135.035	AMD	3	8
43.21B.300	AMD	36	2	43.135.045	AMD	3	9
43.21B.310	AMD	220	4	43.135.055	AMD	314	19
43.21B.310	AMD	36	3	43.140.900	AMD	215	1
43.22.335	AMD	335	1	43.155	ADD	227	10
43.22.420	AMD	335	2	43.155.020	AMD	131	1
43.22.431	AMD	335	3	43.155.050	REMD	131	2
43.22.432	AMD	335	4	43.155.065	AMD	131	3
43.22.434	AMD	335	5	43.155.068	AMD	131	4
43.22.440	AMD	335	6	43.155.070	AMD	131	5
43.22.442	AMD	335	7	43.163.090	AMD	304	1
43.22.450	AMD	335	8	43.163.130	AMD	304	2
43.23	ADD	324	2,3	43.163.130	AMD	32	2
43.24	ADD	276	1	43.163.210	AMD	304	3
43.33A.100	AMD	302	1	43.250.010	AMD	31	1
43.41	ADD	227	2	43.250.020	AMD	31	2
43.43	ADD	329	5,7	43.250.040	AMD	31	3
43.43.120	AMD	329	3	43.270.010	AMD	48	1
43.43.260	AMD	329	4	43.270.020	AMD	48	2
43.43.270	AMD	329	6	43.270.030	REP	48	5
43.43.272	REP	329	12	43.270.050	REP	48	5
43.43.274	AMD	329	8	43.270.060	REP	48	5
43.43.276	REP	329	12	43.270.070	AMD	48	3
43.43.278	AMD	329	9	43.270.080	AMD	48	4
43.43.300	REP	329	12	43.320.080	AMD	177	1
43.43.760	AMD	217	3	43.320.110	AMD	177	2
43.56	ADD	205	1	43.320.110	AMD	7 E2	911
43.60A.075	AMD	4	E2 7	43.320.120	REP	177	15
43.70	ADD	80	3	43.320.130	REP	177	15
43.70	ADD	257	2	44.04	ADD	259	1
43.70	ADD	88	1,3	44.28	ADD	259	2
43.70	ADD	93	2	44.28.060	AMD	259	3
43.70.040	AMD	80	2	44.28.065	AMD	259	4

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>
44.39.010	AMD	214	30	46.70	ADD	272	12
44.39.015	AMD	214	31	46.70.005	AMD	272	1
44.40	ADD	259	5	46.70.011	AMD	272	2
44.40.015	AMD	259	6	46.70.029	AMD	64	8
44.40.040	AMD	259	7	46.70.041	REMD	272	3
44.40.090	AMD	259	8	46.70.051	AMD	272	4
44.40.100	AMD	259	9	46.70.070	AMD	272	13
44.44	ADD	259	10	46.70.090	AMD	272	5
44.44.030	AMD	259	11	46.70.101	AMD	272	6
44.48	ADD	259	12	46.70.120	AMD	272	7
44.48.050	AMD	259	13	46.70.122	AMD	272	8
44.48.090	AMD	259	14	46.70.130	AMD	272	9
44.48.120	AMD	259	15	46.70.180	AMD	272	10
44.68	ADD	259	16	46.70.180	AMD	64	9
44.68.040	AMD	259	17	46.70.900	AMD	272	11
44.68.050	AMD	259	18	46.79.010	AMD	64	10
46.01.140	AMD	331	1	46.79.020	AMD	64	11
46.09.200	AMD	253	3	46.79.110	AMD	64	12
46.10.040	AMD	7 E2	918	46.80.030	AMD	64	13
46.10.200	AMD	253	4	46.87.370	AMD	146	6
46.12	ADD	125	3	47	ADD	2 E1	1-
46.12.030	REMD	125	1				11
46.12.040	AMD	125	2	47.01	ADD	14 E2	606
46.12.060	AMD	125	4	47.04.210	AMD	14 E2	601
46.16.065	AMD	64	4	47.04.220	AMD	14 E2	602
46.16.170	REP	66	1	47.17.735	AMD	130	1
46.16.210	AMD	206	1	47.20	ADD	226	2,3
46.16.374	AMD	64	5	47.24.020	AMD	201	8
46.16.381	AMD	67	1	47.26	ADD	201	1-3
46.20	ADD	41	15	47.42.040	AMD	107	1
46.20.155	AMD	41	14	47.44.010	AMD	201	5
46.20.285	REEN	64	6	47.44.020	AMD	201	6
46.20.311	AMD	325	2	47.44.050	AMD	201	7
46.20.342	AMD	325	3	47.46.040	AMD	64	14
46.20.505	REMD	104	1	47.56.030	AMD	59	1
46.20.515	AMD	104	2	47.60	ADD	226	4-10
46.20.720	AMD	247	1	47.60.326	AMD	1 E1	1
46.20.740	AMD	55	1	47.64.260	AMD	19	1
46.37.390	AMD	293	1	47.79	ADD	62	1-5
46.44	ADD	262	3	48	ADD	179	1-13
46.44.038	REP	262	4				15-18
46.44.090	AMD	262	1	48.01	ADD	191	3
46.44.091	AMD	262	2	48.02	ADD	57	1
46.52.020	AMD	145	1	48.13	ADD	90	1
46.52.130	AMD	309	1	48.13.030	AMD	21	1
46.55.230	AMD	139	3	48.15	ADD	91	1
46.61	ADD	325	1	48.17.090	AMD	56	1
46.61.517	AMD	142	1	48.17.330	AMD	56	2
46.61.522	AMD	300	1	48.20.025	AMD	196	1
46.61.524	AMD	64	7	48.23	ADD	197	1
46.63.020	AMD	325	4	48.31.260	AMD	40	2
46.63.110	AMD	289	2	48.31.280	AMD	40	1
46.64	ADD	289	3	48.32A	ADD	50	1-21
46.68.065	AMD	285	1	48.32A.010	REP	50	23
46.68.124	AMD	212	28	48.32A.020	REP	50	23

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
48.32A.030	REP	50	23	51.24.060	AMD	146	9
48.32A.040	REP	50	23	51.28.010	AMD	231	1
48.32A.050	REP	50	23	51.28.020	AMD	231	2
48.32A.060	REP	50	23	51.32.240	REMD	146	10
48.32A.070	REP	50	23	51.36.070	AMD	152	2
48.32A.080	REP	50	23	51.48.140	AMD	146	11
48.32A.090	REP	50	23	52.12	ADD	212	17
48.32A.100	REP	50	23	52.14.110	AMD	79	1
48.32A.110	REP	50	23	53.08	ADD	212	18
48.32A.120	REP	50	23	53.08	ADD	22	E2 1
48.32A.900	REP	50	23	54.16	ADD	212	19
48.32A.910	REP	50	23	54.16	ADD	122	2
48.32A.920	REP	50	23	57.08.110	REP	63	5
48.32A.930	REP	50	23	57.12	ADD	63	3
48.32A.931	REP	50	23	57.12.010	AMD	63	1
48.41.030	AMD	196	2	57.12.015	AMD	63	2
48.41.100	AMD	196	3	57.12.039	AMD	63	4
48.41.110	AMD	196	4	60.10.010	AMD	32	3
48.43	ADD	321	2	60.11.030	AMD	32	4
48.43	ADD	196	10	60.11.9001	REP	32	54
48.43	ADD	106	2	60.11.904	AMD	32	5
48.43.005	AMD	196	5	60.13.040	REMD	32	6
48.43.005	AMD	147	1	60.56.015	AMD	32	7
48.43.012	AMD	196	6	62A.1-105	AMD	32	8
48.43.015	AMD	196	7	62A.1-201	AMD	32	9
48.43.018	AMD	196	8	62A.2A-303	AMD	32	10
48.43.025	AMD	196	9	62A.2A-306	AMD	32	11
48.43.087	AMD	251	33	62A.3-102	AMD	32	12
48.44.017	AMD	196	11	62A.4-210	AMD	32	13
48.46.062	AMD	196	12	62A.8-110	AMD	32	14
49.04.010	AMD	204	1	62A.8-510	AMD	32	15
49.04.030	AMD	204	2	62A.9A	ADD	32	53
49.04.040	AMD	204	3	62A.9A-102	AMD	32	16
49.04.050	AMD	204	4	62A.9A-104	AMD	32	17
49.04.060	AMD	204	5	62A.9A-105	AMD	32	18
49.04.080	AMD	204	6	62A.9A-107	AMD	32	19
49.04.100	AMD	204	7	62A.9A-201	AMD	32	20
49.12	ADD	173	1	62A.9A-208	AMD	32	21
49.44.070	REP	224	4	62A.9A-301	AMD	32	22
49.70.170	AMD	7	E2 913	62A.9A-305	AMD	32	23
50	ADD	11	E1 3-9	62A.9A-306	AMD	32	24
50.04	ADD	11	E1 2	62A.9A-311	AMD	32	25
50.04.090	AMD	11	E1 1	62A.9A-313	AMD	32	26
50.20.190	AMD	146	7	62A.9A-317	AMD	32	27
50.24.115	AMD	146	8	62A.9A-322	AMD	32	28
50.44	ADD	99	1	62A.9A-328	AMD	32	29
50.44.050	AMD	100	2	62A.9A-331	AMD	32	30
50.44.053	AMD	99	2	62A.9A-333	AMD	32	31
50.44.080	AMD	99	3	62A.9A-334	AMD	32	32
50.67.010	REP	291	301	62A.9A-336	AMD	32	33
50.67.020	REP	291	301	62A.9A-406	AMD	32	34
50.67.030	REP	291	301	62A.9A-407	AMD	32	35
51.12.035	AMD	138	3	62A.9A-509	AMD	32	36
51.12.050	AMD	138	2	62A.9A-513	AMD	32	37
51.14.120	AMD	152	1	62A.9A-516	AMD	32	38

"E1" Denotes 2001 1st special session

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>			
62A.9A-520	AMD	32	39	70.44	ADD	212	22	
62A.9A-523	AMD	32	40	70.44.060	AMD	76	1	
62A.9A-608	AMD	32	41	70.47.060	AMD	196	13	
62A.9A-613	AMD	32	42	70.54	ADD	194	1-4	
62A.9A-615	AMD	32	43	70.93.050	AMD	253	8	
62A.9A-625	AMD	32	44	70.93.060	AMD	139	1	
62A.9A-628	AMD	32	45	70.94.544	AMD	74	1	
62A.9A-702	AMD	32	46	70.94.743	AMD	12	E1	1
62A.9A-703	AMD	32	47	70.95.240	AMD	139	2	
62A.9A-704	AMD	32	48	70.96A	ADD	13	4	
62A.9A-705	AMD	32	49	70.96A.020	AMD	13	1	
62A.9A-706	AMD	32	50	70.96A.050	AMD	13	2	
62A.9A-707	AMD	32	51	70.96A.140	AMD	13	3	
62A.9A-708	AMD	32	52	70.96A.400	AMD	242	1	
65.16.020	AMD	283	1	70.96A.410	AMD	242	2	
66.08.026	AMD	313	1	70.96A.420	AMD	242	3	
66.08.195	AMD	8	1	70.105D	ADD	227	5	
66.08.196	AMD	8	2	70.105D.030	AMD	291	401	
66.24.210	AMD	124	1	70.105D.070	AMD	27	2	
66.24.400	AMD	199	4	70.119A.170	AMD	141	4	
66.24.425	AMD	198	1	70.128	ADD	319	9,10	
66.24.425	AMD	199	3	70.128	ADD	193	6,8	
66.24.450	AMD	199	1	70.128.005	AMD	319	1	
66.24.452	AMD	199	2	70.128.007	AMD	319	5	
66.24.570	AMD	199	5	70.128.010	AMD	319	2	
66.44.290	AMD	295	1	70.128.010	AMD	319	6	
67	ADD	18	1-15	70.128.060	AMD	193	9	
67.08.100	AMD	246	1	70.128.061	REP	319	14	
67.16.102	AMD	53	1	70.128.062	REP	319	14	
67.16.175	AMD	53	2	70.128.090	AMD	319	7	
67.16.200	AMD	10	E1	2	70.128.120	AMD	319	8
67.38	ADD	212	20	70.128.160	AMD	193	5	
67.70.240	AMD	3	4	70.146	ADD	227	6	
68.50.104	AMD	82	2	70.146.030	AMD	7	E2	922
68.50.320	AMD	223	1	71.05.285	AMD	12	1	
68.50.330	AMD	172	1	71.09	ADD	286	1	
68.52	ADD	212	21	71.09	ADD	12	E2	201
69.30.010	AMD	253	5				204	
69.30.110	AMD	253	6				206	
69.30.140	AMD	253	7				208	
69.43	ADD	96	4-6				211-	
			9-14				224	
69.43.010	AMD	96	2				226	
69.43.020	AMD	96	3				404	
69.43.040	AMD	96	7	71.09.010	AMD	286	3	
69.43.090	AMD	96	8	71.09.020	AMD	286	4	
69.50.307	REP	248	2	71.09.020	AMD	12	E2	102
69.50.308	AMD	248	1	71.09.025	AMD	286	5	
69.50.505	AMD	168	1	71.09.040	AMD	286	6	
69.50.520	AMD	168	3	71.09.060	AMD	286	7	
69.50.520	AMD	7	E2	920	71.09.070	AMD	286	8
70.02	ADD	251	34	71.09.090	AMD	286	9	
70.02.150	AMD	16	2	71.09.094	AMD	286	11	
70.24.017	AMD	319	4	71.09.096	AMD	286	12	
70.24.084	AMD	16	1	71.09.098	AMD	286	13	

"E1" Denotes 2001 1st special session

"E2" Denotes 2001 2nd special session

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<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>	
71.12.455	AMD	254	1	74.14A.050	AMD 255 1	
71.12.460	AMD	254	2	74.15	ADD 230 2	
71.24	ADD	323	2-4	74.15	ADD 333 5	
71.24.015	AMD	323	1	74.15.020	AMD 137 3	
71.24.015	AMD	334	6	74.15.020	AMD 144 1	
71.24.025	AMD	323	8	74.15.020	AMD 230 1	
71.24.030	AMD	323	9	74.34	ADD 233 2	
71.24.035	AMD	323	10	74.39	ADD 269 2	
71.24.035	AMD	334	7	74.39A	ADD 319 13	
71.24.037	AMD	323	11	74.39A.060	AMD 193 1	
71.24.045	AMD	323	12	74.39A.080	AMD 193 3	
71.24.049	AMD	323	13	74.46	ADD 8 E1 15	
71.24.155	AMD	323	14			16
71.24.160	AMD	323	15	74.46.020	AMD 8 E1 1	
71.24.250	AMD	323	16	74.46.165	AMD 8 E1 2	
71.24.300	REMD	323	17	74.46.410	AMD 8 E1 3	
71.24.400	AMD	323	18	74.46.421	AMD 8 E1 4	
71.24.405	AMD	323	19	74.46.431	AMD 8 E1 5	
72.09	ADD	11	1	74.46.433	AMD 8 E1 6	
72.09	ADD	12 E2	202	74.46.435	AMD 8 E1 7	
			305	74.46.437	AMD 8 E1 8	
72.09.370	AMD	12 E2	362	74.46.501	AMD 8 E1 9	
72.11.040	AMD	7 E2	919	74.46.506	REMD 8 E1 10	
72.36	ADD	4 E2	6	74.46.511	REMD 8 E1 11	
72.36.035	AMD	4 E2	2	74.46.515	AMD 8 E1 12	
72.36.045	AMD	4 E2	3	74.46.521	AMD 8 E1 13	
72.36.055	AMD	4 E2	4	74.46.711	AMD 8 E1 14	
72.36.060	AMD	4 E2	5	74.46.908	REP 8 E1 20	
72.36.090	AMD	4 E2	8	76.01	ADD 189 1,2	
72.65.070	REP	264	7	76.04.045	AMD 253 9	
72.66.060	REP	264	7	76.04.167	AMD 279 1	
73.04	ADD	268	1	76.04.610	AMD 279 2	
73.16	ADD	133	1,4	76.09.020	AMD 97 2	
			8,9	76.09.020	AMD 102 1	
			12-14	76.12.110	AMD 7 E2 912	
73.16.015	AMD	133	2	76.13	ADD 280 3	
73.16.031	AMD	133	3	76.13.110	AMD 280 1	
73.16.033	AMD	133	5	76.13.120	AMD 280 2	
73.16.035	AMD	133	6	77	ADD 86 1-4	
73.16.051	AMD	133	7	77.04	ADD 337 5	
73.16.061	AMD	133	10	77.04	ADD 312 1	
73.16.070	AMD	133	11	77.04	ADD 227 11	
74.04	ADD	111	2	77.04.030	AMD 155 1	
74.04.630	AMD	5 E2	1	77.08.010	AMD 253 10	
74.09	ADD	191	2	77.12.030	REP 253 62	
74.09	ADD	2 E2	2,3	77.12.039	AMD 253 11	
74.09	ADD	15 E2	2	77.12.040	REP 253 62	
74.09.510	REMD	4 E1	1	77.12.043	AMD 253 12	
74.09.510	REMD	15 E2	3	77.12.045	AMD 253 13	
74.09.700	AMD	269	1	77.12.047	AMD 253 14	
74.13	ADD	318	1,4	77.12.055	RECD 253 61	
74.13	ADD	265	1,2	77.12.105	REP 253 62	
74.13	ADD	192	2	77.12.170	AMD 253 15	
74.13.031	AMD	192	1	77.12.177	AMD 253 16	
74.13.280	AMD	318	3	77.12.204	AMD 253 17	

"E1" Denotes 2001 1st special session

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>
77.12.250	REP	253	62	77.55.280	AMD 253 54
77.12.264	AMD	253	18	77.55.290	AMD 253 55
77.12.295	REP	253	62	77.60	ADD 273 1,2
77.12.320	AMD	253	19	77.65	ADD 253 56,61
77.12.325	AMD	253	20	77.65.030	AMD 244 2
77.12.425	AMD	253	21	77.65.070	AMD 244 3
77.12.425	RECD	253	61	77.65.100	AMD 105 3
77.12.455	AMD	253	22	77.65.110	AMD 105 4
77.12.457	REP	253	62	77.65.160	AMD 244 1
77.12.724	REP	253	62	77.65.470	RECD 253 61
77.15	ADD	253	61	77.70	ADD 234 1,2
77.15	ADD	1	2-5	77.70.010	AMD 253 57
77.15.080	AMD	306	1	77.70.030	REP 291 501
77.15.080	AMD	253	23	77.70.150	AMD 253 58
77.15.090	AMD	253	24	77.70.180	AMD 163 3
77.15.094	AMD	253	25	77.70.190	AMD 253 59
77.15.096	AMD	253	26	77.70.270	REP 291 601
77.15.110	AMD	253	27	77.70.400	AMD 228 1
77.15.150	AMD	253	28	77.70.410	AMD 105 1
77.15.180	AMD	253	29	77.70.420	AMD 105 2
77.15.210	AMD	253	30	77.85	ADD 227 9
77.15.245	REMD	253	31	77.85	ADD 298 3
77.15.250	AMD	253	32	77.85.140	AMD 303 1
77.15.260	AMD	253	33	77.85.200	AMD 135 1
77.15.270	AMD	253	34	77.95.210	AMD 337 1
77.15.290	AMD	253	35	77.95.270	AMD 337 2
77.15.330	AMD	253	36	77.100.050	AMD 337 3
77.15.340	AMD	253	37	77.100.060	AMD 337 4
77.15.370	AMD	253	38	78.44.085	AMD 5 E1 1
77.15.380	AMD	253	39	79.01	ADD 250 10,18
77.15.390	AMD	253	40	79.01.084	AMD 250 1
77.15.400	AMD	253	41	79.01.116	AMD 250 2
77.15.480	AMD	253	42	79.01.124	AMD 250 3
77.15.510	AMD	253	43	79.01.132	AMD 187 1
77.15.550	AMD	253	44	79.01.132	AMD 250 4
77.15.600	AMD	253	45	79.01.160	AMD 250 5
77.15.700	AMD	253	46	79.01.184	AMD 250 6
77.15.730	AMD	253	47	79.01.188	AMD 250 7
77.16.220	AMD	253	48	79.01.204	AMD 250 8
77.16.220	RECD	253	61	79.01.232	AMD 250 9
77.32.010	AMD	253	49	79.01.240	AMD 250 11
77.32.014	AMD	253	50	79.01.340	AMD 250 12
77.32.220	RECD	253	61	79.01.392	AMD 250 13
77.32.250	AMD	253	51	79.01.795	AMD 250 14
77.32.380	AMD	243	1	79.08	ADD 150 2
77.32.420	AMD	306	2	79.24.580	AMD 227 7
77.32.420	REP	253	62	79.64.030	AMD 250 15
77.32.535	AMD	253	52	79.64.040	AMD 250 16
77.36.005	AMD	274	1	79.64.050	AMD 250 17
77.36.010	AMD	274	2	79.90.105	AMD 277 1
77.36.080	AMD	274	3	79.96.110	AMD 273 4
77.44.070	AMD	253	53	79A.05.070	AMD 7 E2 921
77.50	ADD	163	1	79A.15	ADD 227 8
77.50.030	AMD	163	2	79A.25.810	AMD 245 1
77.55	ADD	253	61	79A.60.100	AMD 253 60

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>	<u>CH.</u>	<u>SEC.</u>
80.01.080	AMD	238	8	82.08.0287	AMD 320 4
80.04.130	AMD	267	1	82.08.050	AMD 188 4
80.24	ADD	238	2	82.12	ADD 121 1
80.28	ADD	122	1	82.12	ADD 25 E2 4,6
80.50	ADD	214	5,8	82.12	ADD 282 4
80.50.010	AMD	214	1	82.12	ADD 214 10
80.50.020	AMD	214	3	82.12	ADD 235 5
80.50.030	AMD	214	4	82.12	ADD 129 3
80.50.040	AMD	214	6	82.12	ADD 17 E2 2
80.50.060	AMD	214	2	82.12	ADD 18 E2 3,5
80.50.090	AMD	214	7	82.12.010	AMD 188 3
81.24	ADD	238	3	82.12.02567	AMD 213 2
81.60.010	AMD	72	1	82.12.0261	AMD 118 5
81.60.020	AMD	72	2	82.12.0277	AMD 75 2
81.60.030	AMD	72	3	82.12.0282	AMD 320 5
81.60.040	AMD	72	4	82.12.040	AMD 188 5
81.60.050	AMD	72	5	82.12.834	AMD 320 6
81.60.060	AMD	72	6	82.14	ADD 6 1
81.88	ADD	238	4	82.14.020	AMD 186 3
81.88.010	AMD	238	6	82.14.045	AMD 89 3
81.88.050	AMD	238	7	82.14.055	AMD 320 7
81.88.060	AMD	238	9	82.14.310	AMD 7 E2 915
81.88.090	AMD	238	10	82.16	ADD 320 8
81.88.130	REP	238	12	82.16	ADD 237 26
81.88.140	AMD	238	11	82.16	ADD 214 11,13
81.104.115	AMD	127	1	82.19.040	AMD 118 6
82.04	ADD	258	1,2	82.19.050	AMD 118 7
82.04	ADD	214	9	82.19.050	AMD 9 E1 7
82.04	ADD	9 E1	1	82.19.050	AMD 9 E1 8
82.04.090	AMD	20	1	82.24	ADD 235 6
82.04.100	AMD	118	1	82.24.070	REP 235 7
82.04.213	AMD	118	2	82.24.510	AMD 235 8
82.04.213	AMD	97	3	82.27.020	AMD 320 9
82.04.260	REMD	25 E2	2	82.29A	ADD 26 1
82.04.2635	AMD	320	2	82.32	ADD 116 2
82.04.270	AMD	9 E1	2	82.32	ADD 188 2
82.04.270	AMD	9 E1	3	82.32	ADD 314 20
82.04.290	REMD	9 E1	4	82.32	ADD 214 12
82.04.290	REMD	9 E1	5	82.32.210	AMD 146 12
82.04.290	REMD	9 E1	6	82.32.410	AMD 320 10
82.04.2907	AMD	320	3	82.32.430	AMD 320 11
82.04.330	AMD	118	3	82.34	ADD 214 32
82.04.4297	AMD	23 E2	2	82.36.010	AMD 270 1
82.08	ADD	113	1	82.36.020	AMD 270 2
82.08	ADD	186	2	82.36.026	AMD 270 3
82.08	ADD	25 E2	3,5	82.36.047	AMD 146 13
82.08	ADD	282	3	82.36.060	AMD 270 5
82.08	ADD	285	2	82.38.020	AMD 270 4
82.08	ADD	235	4	82.38.030	AMD 270 6
82.08	ADD	129	2	82.38.035	AMD 270 7
82.08	ADD	17 E2	1	82.38.110	AMD 270 8
82.08	ADD	18 E2	2,4	82.38.235	AMD 146 14
82.08.02567	AMD	213	1	82.45.032	AMD 282 2
82.08.0259	AMD	118	4	82.62.010	AMD 320 12
82.08.0283	AMD	75	1	82.62.030	AMD 320 13

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"E2" Denotes 2001 2nd special session

RCW SECTIONS AFFECTED BY 2001 STATUTES

<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>
82.62.050	AMD	320	14	84.36	ADD	2	2-4
82.80.020	AMD	64	15	84.36.040	AMD	126	1
83.100.020	AMD	320	15	84.36.041	REEN	187	14
84.04.018	REP	187	27	84.36.050	AMD	126	2
84.04.030	AMD	187	2	84.36.140	REP	187	27
84.12.270	AMD	187	3	84.36.140	REP	187	30
84.12.280	AMD	187	4	84.36.150	REP	187	27
84.12.310	AMD	187	5	84.36.150	REP	187	30
84.12.330	AMD	187	6	84.36.160	REP	187	27
84.12.350	AMD	187	7	84.36.160	REP	187	30
84.12.360	AMD	187	8	84.36.161	REP	187	27
84.14.110	AMD	185	1	84.36.161	REP	187	30
84.16.040	AMD	187	9	84.36.162	REP	187	27
84.16.050	AMD	187	10	84.36.162	REP	187	30
84.16.090	AMD	187	11	84.36.176	REP	187	27
84.16.110	AMD	187	12	84.36.176	REP	187	30
84.16.120	AMD	187	13	84.36.181	REP	187	27
84.26.130	AMD	185	2	84.36.181	REP	187	30
84.33	ADD	320	16	84.36.190	REP	187	27
84.33.020	REP	249	16	84.36.190	REP	187	30
84.33.035	AMD	97	1	84.36.191	REP	187	27
84.33.035	AMD	249	1	84.36.191	REP	187	30
84.33.073	REP	249	16	84.36.270	REP	187	27
84.33.100	REP	249	16	84.36.270	REP	187	30
84.33.110	REP	249	16	84.36.280	REP	187	27
84.33.112	DECD	249	15	84.36.280	REP	187	30
84.33.113	DECD	249	15	84.36.290	REP	187	27
84.33.114	DECD	249	15	84.36.290	REP	187	30
84.33.115	DECD	249	15	84.36.385	AMD	185	8
84.33.116	DECD	249	15	84.36.451	AMD	26	2
84.33.118	DECD	249	15	84.36.473	REP	187	27
84.33.120	AMD	185	3	84.36.473	REP	187	30
84.33.120	AMD	305	1	84.36.477	AMD	187	15
84.33.120	REP	249	16	84.36.490	REP	187	27
84.33.130	AMD	185	4	84.36.490	REP	187	30
84.33.130	AMD	249	2	84.36.560	AMD	7	E1 1
84.33.140	AMD	185	5	84.36.805	REMD	7	E1 2
84.33.140	AMD	305	2	84.36.810	REMD	126	3
84.33.140	AMD	249	3	84.36.812	AMD	185	9
84.33.145	AMD	249	4	84.36.815	AMD	126	4
84.33.170	AMD	249	5	84.38.040	AMD	185	10
84.33.200	AMD	320	17	84.38.140	AMD	299	18
84.33.210	AMD	249	6	84.40	ADD	26	3
84.33.220	AMD	249	7	84.40.020	REMD	187	16
84.33.230	AMD	249	8	84.40.030	AMD	187	17
84.33.250	AMD	249	9	84.40.0305	REP	187	27
84.33.260	AMD	249	10	84.40.038	AMD	185	11
84.33.270	AMD	249	11	84.40.040	AMD	187	18
84.34.020	AMD	249	12	84.40.045	AMD	187	19
84.34.035	AMD	185	6	84.40.190	AMD	185	13
84.34.065	AMD	249	13	84.40.405	AMD	187	20
84.34.108	REMD	185	7	84.41.041	AMD	187	21
84.34.108	REMD	305	3	84.48.010	AMD	187	22
84.34.108	REMD	249	14	84.48.065	AMD	187	23
84.36	ADD	24	E2 1	84.48.075	AMD	187	24

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"E2" Denotes 2001 2nd special session

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<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>	<u>RCW</u>		<u>CH.</u>	<u>SEC.</u>
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"E1" Denotes 2001 1st special session

[2348]

"E2" Denotes 2001 2nd special session

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<u>LAWS 1996</u>			<u>LAWS 2001 2ND SP.S.</u>			<u>LAWS 2000 2ND SP.S.</u>			<u>LAWS 2001</u>	
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	
245	2	REP	13	2	1	119	AMD	117	116	
<u>LAWS 1998</u>			<u>LAWS 2001</u>			1	124	AMD	117	118
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	1 <td>126</td> <td>AMD</td> <td>117</td> <td>119</td>	126	AMD	117	119	
60	1	AMD	135	2	1	201	AMD	117	201	
<u>LAWS 1998</u>			<u>LAWS 2001 1ST SP.S.</u>			1	202	AMD	117	202
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	1	203	AMD	117	203	
322	47	AMD	8	18	1	205	AMD	117	204	
<u>LAWS 1999</u>			<u>LAWS 2001</u>			1	206	AMD	117	205
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	1	207	AMD	117	206	
309		ADD	117	705	1	208	AMD	117	207	
309		ADD	117	706	1	209	AMD	117	208	
309		ADD	117	707	1	210	AMD	117	209	
309		ADD	117	709	1	211	AMD	117	210	
309	106	AMD	117	101	1	212	AMD	117	211	
309	111	AMD	117	102	1	213	AMD	117	212	
309	119	AMD	117	108	1	216	AMD	117	213	
309	130	AMD	117	112	1	217	AMD	117	214	
309	133	AMD	117	114	1	218	AMD	117	215	
309	134	AMD	117	115	1	219	AMD	117	216	
309	138	AMD	117	117	1	220	AMD	117	217	
309	223	AMD	117	218	1	222	AMD	117	219	
309	708	AMD	117	704	1	301	AMD	117	301	
309	803	AMD	117	802	1	302	AMD	117	302	
379		ADD	123	5	1	305	AMD	117	303	
379	112	AMD	123	1	1	306	AMD	117	304	
379	758	AMD	123	2	1	401	AMD	117	401	
379	937	AMD	123	6	1	402	AMD	117	402	
<u>LAWS 2000</u>			<u>LAWS 2001</u>			1	501	AMD	117	501
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	1	502	AMD	117	502	
241	4	AMD	117	901	1	504	AMD	117	503	
<u>LAWS 2000 2ND SP.S.</u>			<u>LAWS 2001</u>			1	505	AMD	117	504
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	1	507	AMD	117	505	
1	107	AMD	117	103	1	508	AMD	117	506	
1	108	AMD	117	104	1	510	AMD	117	507	
1	109	AMD	117	105	1	511	AMD	117	508	
1	111	AMD	117	106	1	512	AMD	117	509	
1	112	AMD	117	107	1	514	AMD	117	510	
1	114	AMD	117	109	1	515	AMD	117	511	
1	115	AMD	117	110	1	516	AMD	117	512	
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1	730	AMD	117	708
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1	1013	AMD	123	4

<u>LAWS 2000</u>			<u>LAWS 2001</u>	
<u>2ND SP.S.</u>			<u>2ND SP.S.</u>	

<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>
1	603	AMD	7	731
3	201	AMD	1	201
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HISTORY OF STATE MEASURES FILED WITH THE SECRETARY OF STATE

INITIATIVES TO THE PEOPLE (SUPPLEMENTING 1999 LAWS, PAGE 2536)

- *INITIATIVE MEASURE NO. 695** (Shall voter approval be required for any tax increase, license tab fees be \$30 per year for motor vehicles, and existing vehicle taxes be repealed?)—Filed on January 4, 1999 by Tim D. Eyman of Mukilteo. 514,141 signatures were submitted and found sufficient. The measure was submitted to the voters at the November 2, 1999 general election and approved by the following vote: For—992,715 Against—775,054.
- INITIATIVE MEASURE NO. 696** (Shall commercial net, troll, and trawl fishing be prohibited in Washington state fresh and marine waters, except tribal fisheries conducted under a valid treaty right?)—Filed on January 4, 1999 by Thomas E. Nelson of Seattle. 234,750 signatures were submitted and found sufficient. The measure was submitted to the voters at the November 2, 1999 general election and rejected by the following vote: For—682,380 Against—1,044,872.
- INITIATIVE MEASURE NO. 697** (Shall existing vehicle taxes and licensing fees be repealed, and replaced with annual fees of \$10 to \$150, depending on weight, length, and vehicle type?)—Filed on January 7, 1999 by Winton G. Cannon of Redmond. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 698** (Shall property tax laws be revised including: rollback to 1990 valuation levels; valuation at 80% of true value; and 60% voter approval required for changes?)—Filed on January 7, 1999 by Winton G. Cannon of Redmond. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 699** (Shall state property tax rates be reduced and local real estate sales taxes be revised, with limitations on local government development impact fees and conditions?)—Filed on January 4, 1999 by Michael N. Matson of Tumwater. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 700** (Shall counties with a population of less than fifteen thousand be authorized to license or permit electronic gaming devices, including slot machines?)—Filed on January 5, 1999 by Linda L. Tatlow of Republic. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 701** (Shall the people of Washington censure those members of the Washington state congressional delegation who voted for articles of impeachment against President William Jefferson Clinton?)—Filed on January 22, 1999 by Stephen T. Parkinson of Fall City. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 702** (Shall labor organizations operating in this state be required to include certain provisions in their constitutions concerning rights of members, election procedures, and officer accountability?)—Filed on January 28, 1999 by Jamie B. Newman of Seattle. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 703** (Shall the state apply to Congress to convene a federal constitutional convention to consider an amendment allowing referendums on federal legislative, executive, and judicial acts?)—Filed on February 12, 1999 by William R. Walker of Auburn. The initiative was withdrawn by the sponsor.
- INITIATIVE MEASURE NO. 704** (Shall all ground water development for domestic use, and all well drilling with the consent of the landowner, be exempt from government regulation and tax?)—Filed on March 15, 1999 by Heary R. Stephenson of Colville. No signature petitions presented for checking.

INITIATIVES TO THE PEOPLE

- INITIATIVE MEASURE NO. 705 (Shall liquor taxes be repealed, except the existing \$.07 per liter sales tax on spirits and a new tax of \$2.00 per pure alcohol liter?)—Filed on March 3, 1999 by Rachel Hawkridge of Kirkland. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 706 (Shall the existing system of state-owned liquor stores be abolished, and shall liquor be sold by private businesses regulated by the state liquor control board?)—Filed on April 8, 1999 by Rachel Hawkridge of Kirkland. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 707 (Shall the state investment board be directed not to make investments that benefit the federal reserve system, unless either of two stated conditions is met?)—Filed on March 15, 1999 by Michael T. Bell of Lake Forest Park. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 708 (Shall public school teachers, other school district employees, and community and technical college faculty receive a cost-of-living salary increase each year, to begin in 2001?)—Filed on April 8, 1999 by Lee Ann Prielipp of Federal Way. The initiative was withdrawn by the sponsor.
- INITIATIVE MEASURE NO. 709 (Shall unemployment benefits be extended to employees who are separated from employment due to lockouts commencing on or after January 1, 1999, with certain exceptions?)—Filed on May 6, 1999 by James Andrew McPhee of Spokane. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 710 (Shall certain 1999 tax and fee increases be nullified, vehicles exempted from property taxes, and property valuations and property tax increases for each jurisdiction limited?)—Filed on January 7, 2000 by Tim D. Eyman of Mukilteo, Leo J. Fagan of Spokane, and Ray D. Benham of Kennewick. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 711 (Shall all transportation funds, including transit taxes, be spent 90% for roads; transportation agency performance audits required; carpool lanes eliminated; and road materials be tax-exempt?)—Filed on January 7, 2000 by Tim D. Eyman of Mukilteo, Leo J. Fagan of Spokane, and Ray D. Benham of Kennewick. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 712 (Shall the state property tax levy be reduced and taxes on real estate sales be dedicated to specified purposes, with additional limitations on development fees?)—Filed on January 7, 2000 by Michael N. Matson of Tumwater. No signature petitions presented for checking.
- *INITIATIVE MEASURE NO. 713 (Shall it be a gross misdemeanor to capture an animal with certain body-gripping traps, or to poison an animal with sodium fluoroacetate or sodium cyanide?)—Filed on January 7, 2000 by Lisa A. Wathne of Seattle. 261,268 signatures were submitted and found sufficient. The measure was submitted to the voters at the November 7, 2000 general election and approved by the following vote: For—1,315,903 Against—1,093,587.
- INITIATIVE MEASURE NO. 714 (Shall smoking be prohibited in casinos, bars, taverns, bowling alleys, and all public buildings, except tobacco shops?)—Filed on January 7, 2000 by Tod A. Green of Moses Lake. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 715 (Shall citizens be permitted to place small memorials upon the public right-of-way where a death has occurred as a result of a motor vehicle accident?)—Filed on January 7, 2000 by Anthony G. Blount of North Bend. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 716 (Shall the state establish a health plan open to all residents, with deficits subsidized by health and stop-loss insurers, additional insurer liability and disclosure requirements?)—Filed on January 10, 2000 by Raleigh K. Stitt of Seattle. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 717 (Shall the state property tax levy be reduced by 15% and then phased out, additional levy limits be imposed, and certain homeowner tax deferrals

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- provided?)—Filed on January 7, 2000 by Gerald D. Schaefer of Aberdeen. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 718 (Shall property taxes be assessed at the 1990 rates, levy increases (except improvements) require a 60% vote, and property be taxed at 80% of value?)—Filed on January 11, 2000 by Winton G. Cannon of Bellevue. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 719 (Shall a pension management board of 14 members be established to set retirement system contribution rates, appoint the state actuary, and review pension policy issues?)—Filed on January 7, 2000 by Stanley J. Bianchi, Jr. of Blaine. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 720 (Shall retail stores over one hundred thousand square feet in area be restricted to not more than fifteen thousand square feet of nontaxable merchandise?)—Filed on January 7, 2000 by Kevin Raymond Galik of Spokane. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 721 (Shall new or expanded retail stores be restricted to no more than ninety thousand square feet in area, except with a vote of the people?)—Filed on January 7, 2000 by Kevin Raymond Galik of Spokane. No signature petitions presented for checking.
- *INITIATIVE MEASURE NO. 722 (Shall certain 1999 tax and fee increases be nullified, vehicles exempted from property taxes, and property tax increases (except new construction) limited to 2% annually?)—Filed on January 28, 2000 by Tim D. Eyman of Mukilteo, Leo J. Fagan of Spokane, and Ray D. Benham of Kennewick. 272,678 signatures were submitted and found sufficient. The measure was submitted to the voters at the November 7, 2000 general election and approved by the following vote: For—1,295,391 Against—1,022,349.
- INITIATIVE MEASURE NO. 723 (Shall the state property tax levy be reduced, revenues in excess of the state expenditure limit be redirected, and local government levy authority be revised?)—Filed on January 12, 2000 by Jeffrey C. Sullivan of Yakima. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 724 (Shall the state property tax levy be eliminated, property assessed at 50% of value and taxed at \$5.90 per \$1000, and revaluation laws be repealed?)—Filed on February 8, 2000 by Don Carter of Olympia. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 725 (Shall a state health agency be created and develop a health benefits package for state residents, funded by mandatory premiums, employer assessments, and existing taxes?)—Filed on February 1, 2000 by Stuart J. Bramhall of Seattle. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 726 (Shall a list be compiled of automobiles and trucks with irritating daytime running lights, and a fee be imposed on motor vehicles with such lights?)—Filed on February 1, 2000 by J. H. Vandermeer of Olympia. No signature petitions presented for checking.
- INITIATIVE MEASURE NO. 727 (Shall the legislature be directed to enact legislation calling for a federal Constitutional Convention to consider a proposed amendment establishing a national initiative and referendum?)—Filed on February 11, 2000 by Richard Lee Moore of Underwood. No signature petitions presented for checking.
- *INITIATIVE MEASURE NO. 728 (Shall school districts reduce class sizes, extend learning programs, expand teacher training, and construct facilities, funded by lottery proceeds, existing property taxes, and budget reserves?)—Filed on February 8, 2000 by Lisa D. Macfarlane of Seattle. 297,199 signatures were submitted and found sufficient. The measure was submitted to the voters at the November 7, 2000 general election and approved by the following vote: For—1,714,485 Against—675,635.
- INITIATIVE MEASURE NO. 729 (Shall school districts and public universities be authorized to sponsor charter public schools, independently operated, open to all students, and subject to revised state regulation?)—Filed on February 23, 2000 by James R. Spady of Seattle. 306,361 signatures were submitted and found sufficient. The measure was submitted to the voters

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at the November 7, 2000 general election and rejected by the following vote: For—1,125,766
Against—1,211,390.

INITIATIVE MEASURE NO. 730 (Shall financial institutions and insurance companies be required to protect consumer privacy through restrictions on obtaining and transferring personal information unless the consumer consents?)—Filed on March 16, 2000 by Brian J. Sullivan of Tacoma. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 731 (Shall the legislature be instructed to convene and to adopt a budget for 1999-2001 that reduces all state expenditures by approximately 2.5%?)—Filed on March 9, 2000 by John J. McMillen of Everett. No signature petitions presented for checking.

***INITIATIVE MEASURE NO. 732 (Shall public school teachers, other school district employees, and certain employees of community and technical colleges receive annual cost-of-living salary adjustments, to begin in 2001-2002?)—**Filed on March 14, 2000 by Lee Ann Prielipp of Federal Way. 298,722 signatures were submitted and found sufficient. The measure was submitted to the voters at the November 7, 2000 general election and approved by the following vote: For—1,501,261 Against—893,601.

INITIATIVE MEASURE NO. 733 (Shall the privacy of personal information be protected through restrictions on collection, use, and disclosure by businesses, with additional protection for financial and medical information?)—Filed on March 15, 2000 by J. R. Baker of Bainbridge Island. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 734 (Shall a property tax exemption be provided for real property used as a principal place of residence for persons 61 years of age or older?)—Filed on March 24, 2000 by George F. McRoberts, Jr. of Bothell. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 735 (Shall the privacy of personal information be protected through restrictions on collection, use, and disclosure by businesses, with additional protection for financial and medical information?)—Filed on April 14, 2000 by J. R. Baker of Bainbridge Island. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 736 (Shall the national security agency be prohibited from performing certain business in the state of Washington?)—Filed on March 27, 2000 by Elizabeth Patrick of Spokane. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 737 (Shall the state and counties, cities, and towns be prohibited from funding the national security agency of the federal government?)—Filed on March 27, 2000 by Elizabeth Patrick of Spokane. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 738 (Shall 90% of transportation funds, including transit taxes, be spent for roads; transportation agency performance audits required; and road construction and maintenance be sales tax-exempt?)—Filed on April 18, 2000 by Suzanne D. Karr of Everett. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 739 (Shall persons convicted of possessing drugs for personal use be sentenced to treatment rather than imprisonment, and personal marijuana possession penalties reduced to civil infractions?)—Filed on April 19, 2000 by Jeffrey T. Haley of Seattle. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 740 (Shall the law require that growing trees on publicly owned lands be forever preserved in order to supply oxygen?)—Filed on April 19, 2000 by Kurt Weinreich of Olympia. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 741 (Shall the requirement that a person be licensed to practice law before representing others in court or holding certain public offices be eliminated?)—Filed on April 19, 2000 by Kurt Weinreich of Olympia. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 742 (Shall the internal revenue service be instructed to comply with federal and state law and to obtain court orders before taking property in this state?)—Filed on April 19, 2000 by Kurt Weinreich of Olympia. No signature petitions presented for checking.

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INITIATIVE MEASURE NO. 743 (Shall courts of limited jurisdiction be declared not to have the power to impose fines or imprison any person?)—Filed on April 19, 2000 by Kurt Weinreich of Olympia. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 744 (Shall the Revised Code of Washington, the Washington Administrative Code, and all municipal ordinances be declared void and inapplicable to flesh and blood people?)—Filed on April 19, 2000 by Kurt Weinreich of Olympia. No signature petitions presented for checking.

INITIATIVE MEASURE NO. 745 (Shall 90% of transportation funds, including transit taxes, be spent for roads; transportation agency performance audits required; and road construction and maintenance be sales tax-exempt?)—Filed on May 3, 2000 by Tim D. Eyman of Mukilteo. 274,490 signatures were filed and found sufficient. The measure was submitted to the voters at the November 7, 2000 general election and rejected by the following vote: For—955,329 Against—1,394,387.

INITIATIVE MEASURE NO. 746 (Shall persons convicted of possessing drugs for personal use be sentenced to treatment rather than imprisonment, and personal marijuana possession penalties reduced to civil infractions?)—Filed on May 19, 2000 by Jeffrey T. Haley of Seattle. No signature petitions presented for checking.

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(SUPPLEMENTING 1999 LAWS, PAGE 2557)

- INITIATIVE TO THE LEGISLATURE NO. 220 (Shall government officials be subject to limitations on salary, criminal prosecution with no limitation period, loss of pension rights for misconduct, and mandatory polygraph examinations?)—Filed on March 23, 1999 by Patrick M. Crawford of Litterock. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 221 (Shall the Office of State Inspector General be created, with authority to conduct hearings, order corrective action, levy fines for wrongdoing, and revise government decisions?)—Filed on March 15, 1999 by Maximus T. Englerius of Seattle. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 222 (Shall the existing state expenditure limit be replaced by a new state revenue limit, calculated each year and based on changes in state personal income?)—Filed on April 7, 1999 by Alan Merson of Bainbridge Island. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 223 (Shall the state apply to Congress to convene a federal constitutional convention to consider an amendment allowing referendums on federal legislative, executive, and judicial acts?)—Filed on May 12, 1999 by William R. Walker of Auburn. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 224 (Shall the Office of State Inspector General be created, with authority to conduct hearings, order corrective action, levy fines, and resolve conflicts concerning government action?)—Filed on May 13, 1999 by Maximus T. Englerius of Seattle. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 225 (Shall public schools allow prayer and bible reading, and shall they provide religious teaching that God created the world and of values taught by God?)—Filed on June 14, 1999 by Deborah Lynn Berkley of Yakima. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 226 (Relating to taxes)—Filed on July 16, 1999 by Dave C. McGregor of Seattle. The initiative was withdrawn by the sponsor.
- INITIATIVE TO THE LEGISLATURE NO. 227 (Shall a statewide health insurance plan be created, available to all state residents, and shall certain requirements be imposed on public and private health plans?)—Filed on July 29, 1999 by Raleigh K. Stitt of Seattle. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 228 (Shall voter approval be required for any state or local tax increases, and shall a \$500 credit be provided for each parcel of real property?)—Filed on August 10, 1999 by Dave C. McGregor of Seattle. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 229 (Shall the cultivation and use of cannabis (marijuana) be legalized, and shall cannabis be sold, taxed, and regulated by a cannabis and liquor control commission?)—Filed on August 2, 1999 by Florie Green of Seattle. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 230 (Shall the state property tax be phased-out using immediate reductions and excess revenues; property tax levies be further limited; and certain homeowner tax deferrals provided?)—Filed on October 5, 1999 by Gerald D. Schaefer of Aberdeen. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 231 (Shall certain 1999 tax and fee increases be nullified, motor vehicles exempted from property taxes, property valuations limited, and property tax levy increases further restricted?)—Filed on November 23, 1999 by Tim D. Eymann of Mukilteo. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 232 (Shall the priority of water rights be changed to provide each citizen a domestic water right, used either individually or combined into water

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- systems?)—Filed on March 8, 2000 by Theodore E. Cowan of Issaquah. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 233 (Shall courts be required to order shared custody of children in marriage dissolutions, except where the parents agree otherwise or there is abuse or neglect?)—Filed on March 8, 2000 by William Harrington of Tacoma. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 234 (Shall businesses be required to protect consumer privacy, through restrictions on obtaining or transferring personal consumer information, and through requiring consent to disclose sensitive information?)—Filed on March 8, 2000 by Margarita Prentice of Seattle. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 235 (Shall the state apply to Congress to call a constitutional convention to consider a proposed federal constitutional amendment concerning national electronic voting and other matters?)—Filed on March 13, 2000 by William R. Walker of Auburn. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 236 (Shall American-English be the official language of the state of Washington, and shall state and local governments be required to conduct all business in American-English?)—Filed on April 3, 2000 by Jim Morrison of Naches. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 237 (Shall the legislature be directed to enact legislation calling for a federal Constitutional Convention to consider a proposed amendment establishing a national initiative and referendum?)—Filed on March 29, 2000 by Richard Lee Moore of Underwood. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 238 (Shall financial institutions and insurance companies be required to protect the privacy of personal information through restrictions on obtaining and transferring information without consumer consent?)—Filed on April 11, 2000 by Brian Sullivan of University Place. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 239 (Shall 90% of transportation funds, including transit taxes, be spent for roads; transportation agency performance audits required; and road construction and maintenance be sales tax-exempt?)—Filed on April 24, 2000 by Suzanne D. Karr of Everett. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 240 (Shall state property tax levies be eliminated; assessed value capped at 50% of true value; taxes calculated at \$5.90 per \$1000; and RCW 84.41 repealed?)—Filed on April 27, 2000 by Donald Carter of Olympia. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 241 (Shall park lands be protected for public enjoyment by restricting changes in use, reallocating existing revenues to parks and recreation, and authorizing additional financial support?)—Filed on April 24, 2000 by James L. King, Jr. of Olympia. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 242 (Shall an Office of State Inspector General be created, authorized to conduct hearings, issue cease and desist warnings, bring court actions, and review judicial performance?)—Filed on April 26, 2000 by Maximus T. Englerius of Seattle. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 243 (Shall the privacy of personal information be protected through restrictions on collection, use, and disclosure by businesses, with additional protection for financial and medical information?)—Filed on May 18, 2000 by J. R. Baker of Bainbridge. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 244 (Initiative Measure No. 244 concerns a constitutional amendment to change voting requirements on school levies. This measure would direct the legislature to propose and submit an amendment to the state constitution. The proposed amendment would require a simple majority vote for passage of school

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- maintenance and operation levies.)—Filed on June 14, 2000 by Stanley J. McKinney of Port Orchard. No signature petitions were presented for checking.
- INITIATIVE TO THE LEGISLATURE NO. 245 (Initiative Measure No. 245 concerns creation of a health benefits system. This measure would create a state agency to develop and administer a single health benefits package for state residents, funded by mandatory premiums, employer assessments, existing taxes, and co-payments.)—Filed on June 16, 2000 by Stuart J. Bramhall of Seattle. No signature petitions were presented for checking.**
- INITIATIVE TO THE LEGISLATURE NO. 246 (Initiative Measure No. 246 concerns establishing procedures for amending the constitution by initiative. This measure would declare that the people have the right to amend the constitution by using the Initiative power without amending any existing constitutional language, and would set forth requirements for doing so.)—Filed on July 6, 2000 by Jeffrey W. Sowers of Olympia. No signature petitions were presented for checking.**
- INITIATIVE TO THE LEGISLATURE NO. 247 (Initiative Measure No. 247 concerns imposing tolls or user fees on roads and bridges. This measure would prohibit tolls or user fees to pay for improvement, maintenance, or operation costs for existing roads or bridges; prohibit agreements that limit existing two-way, toll-free travel; and repeal several statutes.)—Filed on August 4, 2000 by Randy G. Boss of Gig Harbor. No signature petitions were presented for checking.**
- INITIATIVE TO THE LEGISLATURE NO. 248 (Initiative Measure No. 248 concerns the production and sale of cannabis (marijuana) and hemp. This measure would permit the cultivation and sale of cannabis (marijuana) and hemp. A state cannabis and liquor control commission would regulate and sell marijuana. Supplying marijuana to minors would be a crime.)—Filed on July 27, 2000 by Douglas P. Stanford of Bellevue. No signature petitions were presented for checking.**
- INITIATIVE TO THE LEGISLATURE NO. 249 (Initiative Measure No. 249 concerns the state expenditure limit. This measure would extend annual expenditure limits to most funds and accounts in the state treasury, with procedures for adjustment. Emergency reserve fund provisions would be revised and excess amounts would be redistributed.)—Filed on August 21, 2000 by Chad E. Taylor of Chehalis. No signature petitions were presented for checking.**
- INITIATIVE TO THE LEGISLATURE NO. 250 (Initiative Measure No. 250 concerns benefits for state employees and their dependents. This measure would limit eligibility for state employee insurance benefits to those meeting qualifications in effect May 1, 2000. "Spouse" would include only persons married to eligible employees according to Washington law.)—Filed on October 2, 2000 by Andrea K. Vangor. No signature petitions were presented for checking.**
- INITIATIVE TO THE LEGISLATURE NO. 251 (Initiative Measure No. 251 concerns limiting the growth of state revenue. This measure would limit the growth of total state revenue to the rate of inflation, beginning with the year 2000, with intent that the legislature reduce property taxes to stay within this limit.)—Filed on November 16, 2000 by Tim D. Eyman of Mukilteo, Leo J. Fagan of Spokane, and M. J. Fagan of Spokane. The initiative was withdrawn by the sponsor on December 12, 2000.**
- INITIATIVE TO THE LEGISLATURE NO. 252 (Initiative Measure No. 252 concerns local government tax and fee increases. This measure would require voter approval for all future local government tax and fee increases, and would restore such taxes and fees to their January 1, 2000, levels, unless approved by the voters.)—Filed on November 16, 2000 by Tim D. Eyman of Mukilteo, Leo J. Fagan of Spokane, and M. J. Fagan of Spokane. The initiative was withdrawn by the sponsor on December 12, 2000.**
- INITIATIVE TO THE LEGISLATURE NO. 253 (Initiative Measure No. 253 concerns gathering of initiative petition signatures. This measure would require that a person collecting signatures for an initiative petition be a registered voter in the legislative district in which the person is collecting signatures.)—Filed on November 27, 2000 by William A. Arensmeyer of Tumwater. No signature petitions were presented for checking.**

**HISTORY OF CONSTITUTIONAL AMENDMENTS
ADOPTED SINCE STATEHOOD
(SUPPLEMENTING 1999 LAWS, PAGE 2572)**

- No. 92. Section 1, Article VIII. Re: State debt. Adopted November, 1999.
- No. 93. Section 1, Article XXIX. Re: May be invested as authorized by law. Adopted November, 2000.

